Intercultural Business Communication Challenges: A documentation study toward cross-cultural competence between Egypt and Japan

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Acknowledgement

" و كَالُ مَبُ زِدِنِي عِلْما " الحمد تسالذي همد تدومر النعمر و تزيد البركة في أيامنا وأعمالنا . اللهمر بك استخرنا وبك مضينا وعليك توكلنا وبنضلك تنمر الصالحات. اللهمر زدنا علما وانفعنا عا علمثا

This dissertation wouldn't be possible with only my efforts.

I wouldn't be able to come this far without the support and kindness of the people around me, whom I am extremely lucky and blessed to have in my life.

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My family for their amazing support. My parents and especially my two baby sisters D and M, if it weren't for them, I would never be able to leave Egypt and come to Japan to pursue my dreams. You were like the wings that left me up throughout my whole journey.

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Abstract:

In our globalized world, the flow of people, ideas, and money has become quicker. Multinational and global projects are established easier, and companies can expand their businesses beyond national borders easier than before. Working with people from various cultural backgrounds has become more common, from which new challenges arise. Diversity in the workplace has many benefits, such as enriching work output and performance by providing different perspectives and opinions. However, it can also be challenging in many ways. The language barrier, different mindsets, work styles, systems, and cultural backgrounds are various reasons for different interpretations and expectations in the workplace. Thus, a global expansion means adaptation and customization are essential to be accepted by the new host countries.

During this recontextualization and re-localization process, many businesses fail due to the lack of cross-cultural competence (CC), the inability to interact effectively with people of different cultures, and poor international expatriates' communication skills. Thus, international organizations and companies started to pay attention to intercultural business communication studies and training.

These attracted researchers to study Toyota and Kaizen from different perspectives other than business and management systems. These included TPS, TPM, TQM, and 5S applications inside factories' product lines. Others, such as culture, history, and communication perspectives, affect people's mindsets and communication.

As opposed to the previous research, this research focuses on Kaizen and communication in international business from a cultural perspective. This study highlights the communication challenges that emerge from the cultural differences when recontextualizing Kaizen in Egypt. This research is a culture in business research. It is a baseline research that aims to know how the troubles and conflicts derived from non-verbalized parts can be verbalized by keeping a record and documenting the current situation in Egypt.

The author used qualitative methods with a combination of literature analysis of Kaizen, cross-cultural competence research as secondary data, and analysis of in-depth, open-ended interviews that were conducted in Egypt and Japan as primary data. To clarify the communication patterns and suggest how to achieve cross-cultural competence in Toyota Motor Engineering Egypt (TMEE) and Kaizen Center in Egypt.

This research tries to draw a communication or/and a cultural map to explain the cultural background and meaning of the communication patterns between Egyptians and Japanese. To help the involved parties reduce the miscommunication gap and maximize collaboration through their work experiences.

The structure of this dissertation consists of six chapters—first, the introduction covers a general review of the study's background, objectives, methodology, and research structure. The second chapter includes a detailed overview of the study's background, an explanation of the problem's statement, reasons for focusing on Kaizen in Egypt, its origin and history to this research's focus point, and Kaizen and communication challenges. At the same time, the author elaborates on the research objectives: defining communication challenges patterns, achieving

cross-cultural competence in Egyptian- Japanese business communication, and finally, how to draw a cultural map to help the involved parties navigate their way in business communication—moving to the methodology, which is a combination of literature analysis of Kaizen, Toyota Way, cross-cultural competence related research and qualitative analysis of the interviews conducted with Egyptian and Japanese who engaged with Kaizen in Egypt.

The third chapter is about the problem's statement and the researcher's motive, a literature review analysis of Kaizen, Toyota, Kaizen, and Toyota beyond Japan's borders. Finally, it elaborates on an African case study in Ethiopia. It has many similarities to Egypt's case and illustrates some similarities, differences, and the lost chances in Egypt and the lessons from the Ethiopian case.

Then, Chapter four covers Kaizen and communication with a deeper review of cross-cultural competence, Edward T. Hall's high and low context cultures' models, their characteristics and challenges when communicating, how it can affect workflow/ relations, and the importance of adaptation and customization of business concepts as a result of globalization and business expansion. The chapter ends with Kaizen and communication in Egypt's TMEE, Kaizen Center, and JICA with a brief explanation of work conditions.

Chapter five is about Kaizen and Toyota in Egypt and their different approaches in JICA, Kaizen Center, TMEE, and illustrates the involved parties/leading players/decision makers' experiences and insights in Egypt. The final chapter is the findings, analysis indicators, research limitations and ethical concerns, and further research suggestions. A summary of the content follows each chapter to conclude its content—finally, the references and appendixes.

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AAV	Arab American Vehicle	
CC	Cross-cultural Competence	
EBA	Egyptian Business Association	
ECS	Egypt Commercial Services	
EJBC	Egypt Japan Business Council	
EKI	Ethiopian Kaizen Institute	
GAFI	General Authority for Investments	
HCC	High Context Culture	
IBC	International Business Communication	
IBM	In-shaa-allah, Bokra, Ma'lesh (Later, Tom, Never Mind)	
JBA	Japan Business Association	
JCCI	Japan Chamber of Commerce and Industry	
JETRO	Japan External Trade Organization	
JICA	Japan International Cooperation Agency	
ICC	Low Contaxt Cultura	

MOFA	Ministry Of Foreign Affairs
MOH	Ministry of Health
MOIC	Ministry of International Cooperation
MOU	Memorandum Of Understanding
MTI	Ministry of Trade and Industry
PPP	Public-Private Partnership
PQIC	Productivity and Quality Improvement Center
SMEs	Small and Medium Enterprises
TICAD	Tokyo International Conference on African Development
TMEE	Toyota Motor Engineering Egypt
WB	World Bank
WC	Washington Consensus

Chapter 1. Introduction

In our globalized world, the flow of people, ideas, and money have become quicker. Multinational and global projects are established easier, and companies can expand their businesses beyond national borders easier than before. Working with people from various cultural backgrounds has become more common, from which new challenges arise. Diversity in the workplace has many benefits, such as enriching work output and performance by providing different perspectives and opinions. However, it can also be challenging in many ways. The language barrier, different mindsets, work styles, work conditions, systems, and cultural backgrounds are various reasons for different interpretations and expectations in the workplace. Thus, a global expansion means adaptation and customization are essential to be accepted by the new host countries.

During this recontextualization and re-localization process, many businesses fail due to the lack of cross-cultural competence (CC), the inability to interact effectively with people of different cultures ¹, and poor international expatriates' communication skills. Thus, international organizations and companies started to pay attention to intercultural business communication studies and training.

Inside this globalization, relations between Egypt and Japan flourish, and Japan directs many investments to Egypt in various sectors. The most famous Japanese company in Egypt is Toyota. The Japanese giant has evolved into an international company with many offices worldwide², including in Egypt. The Toyota Way and Kaizen are being re-produced as a popular

¹ Gertsen, "Intercultural Competence and Expatriates."

² 170+ countries and regions around the world, and 67 manufacturing companies. Source: Toyota in the world, https://www.toyotauk.com/about-toyota/toyota-in-the-world.html

culture beyond Japanese borders and merged into new cultures. The Toyota Way and Kaizen are regarded as global cultural phenomena as the popularity of Toyota continues to rise. The Japanese automobile giant is famous for incorporating Kaizen into its business practice, making the concept of Kaizen more linked to the business. However, its effect can be seen beyond the business sphere and involves different forms in people's lives.

These attracted researchers to study Toyota and Kaizen from different perspectives other than business and management systems. These included TPS, TPM, TQM, and 5S³ applications inside factories' product lines. Others, such as culture, history, and communication perspectives, affect people's mindset and communication.

As opposed to the previous research, this research focuses on Kaizen and communication in international business from a cultural perspective. This study highlights the communication challenges that emerge from the cultural differences when recontextualizing⁴ Kaizen in Egypt. This research is a culture in business research. It is a baseline research that aims to know how the troubles and conflicts derived from non-verbalized parts can be verbalized by keeping a record and documenting the current situation in Egypt.

The analyses of previous studies and fieldwork investigations were used to clarify the communication patterns and suggest how to achieve cross-cultural competence in Toyota Motor Engineering Egypt (TMEE) and Kaizen Center in Egypt.

³ TPS: Toyota Production System. TPM: Total Production Maintenance. TQM: Toyota Quality Control.

⁵S: seiri (整理), seiton (整頓), seisō (清掃), seiketsu (清潔), and shitsuke (躾), and translated as "sort", "set in order", "shine", "standardize", and "sustain"

⁴ "Mary Yoko Brannen uses the term "recontextualization" to describe how the concepts take on different meanings when brought into a different culture. Brannen Mary Yoko, Jeffrey K. Liker and W Mark Fruin "Recontextualization and Factory-to-Factory Knowledge Transfer from Japan to the U.S.: The Case of NSK," in Remade in America: (Liker et al., 2008) pg. 16

The author used qualitative methods with a combination of literature analysis of Kaizen, cross-cultural competence research as secondary data, and analysis of open-ended interviews that were conducted in Egypt and Japan as primary data.

The participants were Egyptian and Japanese staff who engage with Kaizen in Egypt. The researcher interviewed 33 individuals and conducted in-depth, extended narrative interviews representing the main actors in Egyptian-Japanese relations and engaged with Kaizen in Egypt from 2017 to 2022. The participants were selected to show the general indicators of intercultural business communications challenges between Egyptians and Japanese, starting with Japan International Cooperation Agency (JICA) and Japan External Trade Organization (JETRO's) Egypt offices and Kaizen Center. The snowball method was used to select the rest of the participants from Egypt Japan Business Council (EJBC), Egypt Commercial Services (ECS), Toyota Japan, Ex. JICA Experts. The sample covered both genders, Egyptian and Japanese nationalities, and high-ranking officials. Participants from different age groups, entities, and positions were also represented (such as administrative, managerial, and government officials) to illustrate Egypt's situation firmly.⁵

Interviews were designed as open-ended, in-depth interviews based on a long narrative with the participants to explore their insights and impressions about the work environment and the challenges they face, especially communication-related ones. Investigating TMEE and Kaizen Center showed that aside from system and rules differences and challenges, there are differences in the understanding and applying Toyota Way and Kaizen's concepts in Egypt. At the same time, the staff is working in a challenging environment where language is a barrier, and cultural

⁵ Based on the request and consent with participants, personal data, and workplace info. are omitted due to the fear of causing troubles for them or even losing their positions.

differences put various significance into actions and words. The poor understanding of those differences and the time consumed until they grasp how to deal with them affected the communication and relations among team members and business partners/ counterparts. Accordingly, losses in opportunities, valuable human resources, and connections existed.

This research tries to draw a communication or/and a cultural map to explain the cultural background and meaning of the communication patterns between Egyptians and Japanese. To help the involved parties reduce the miscommunication gap and maximize collaboration through their work experiences.

The structure of this dissertation consists of six chapters—first, this introduction covers a general review of the study's background, objectives, methodology, and research structure. The second chapter includes a detailed overview of the study's background, an explanation of the problem's statement, reasons for focusing on Kaizen in Egypt, its origin and history to this research's focus point, and Kaizen and communication challenges. At the same time, the author elaborates on the research objectives: defining communication challenges patterns, achieving cross-cultural competence in Egyptian- Japanese business communication, and finally, how to draw a cultural map to help the involved parties navigate their way in business communication—moving to the methodology, which is a combination of literature analysis of Kaizen, Toyota Way, cross-cultural competence related research and qualitative analysis of the interviews conducted with Egyptians and Japanese who engaged with Kaizen in Egypt.

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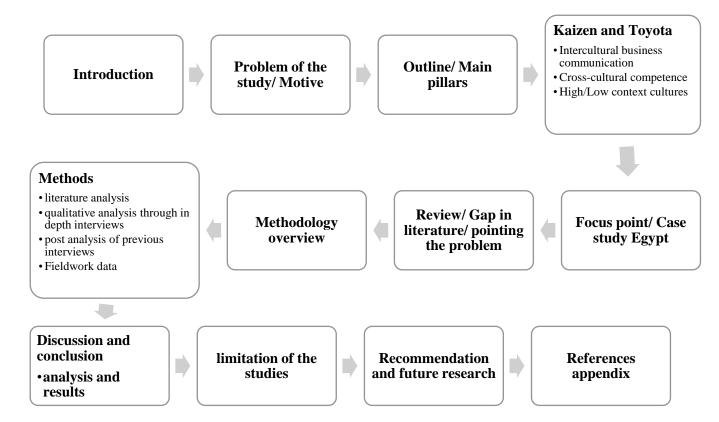


Figure 1. Flow chart of the research

Source: Author

Chapter 2. Overview of the Study

2.1 Background

Our globalized world enabled people and money to flow easily and working with people from different cultures has become the norm. Various languages, backgrounds, mindsets, and working styles can enrich a company's output. However, it may also cause misinterpretations, misunderstandings, and incompatible expectations. Despite these challenges, companies still expand globally and search for new markets and sources. The mix and match, and trial and errors eventually lead to re-creating or "Re-contextualization" ⁶ of the concepts' meaning and work styles or ways to be accepted in new environments. Communication was always an issue in the author's work experience among multinational teams. In addition to verbal communication ⁷, various mindsets and different working styles led to new challenges in the workplace. As the author worked in such a multicultural work environment, it was essential to figure out how to have a smooth work experience and more accessible communication with the team members and counterparts. Hence, the author started to read more about the Japanese business culture to have a better work experience in the middle of Egyptian – Japanese projects in Egypt.

During this process, Kaizen⁸ had a significant share as one of the most famous concepts in Japanese business culture and was often linked to the Japanese automobile industry giant Toyota.

As Toyota has evolved to an international company with many offices worldwide, the Toyota Way and Kaizen are being re-produced as a popular culture beyond Japanese borders and

⁶ Mary Yoko Brannen defines "<u>Re-contextualization</u>" to describe how the concepts adopt different meanings when brought into a different culture. Jeffrey K. Liker, & Michael, H. (2008). Toyota culture: the heart and soul of the Toyota way. Mc Graw-Hill.

⁷ In 1971, Albert Mehrabian published a book Silent Messages he divided communication into 3 types. 55% for visual communication, 38% for nonverbal communication, and 7% for verbal communication.

⁸ A Japanese concept that means "Continues improvement". A detailed explanation will follow in the coming chapters.

merged into various new cultures. These attracted researchers to study Toyota and Kaizen from different perspectives other than business and management systems. These included TPS, TPM, TQM, and 5S⁹ applications inside factories' product lines. The formers, such as culture, history, and communication perspectives, which affect people's mindset and communication, were also studied (Toyota Way, Kaizen, Toyota culture, Toyota philosophy)¹⁰.

Inside Japan, Toyota is more than a big name in the business industry and is viewed as a success story. Looking back at Toyota's history, the company began as a producer for the textile industry, later turning to the automobile industry, contributing to Japan's economic growth. Since the beginning, Toyota has been hands-on in its employees' lives, families, and private activities. Even before supermarkets were popular in Japan, Toyota provided cooperatives for its employees' daily needs. As most people in Toyota city work directly or indirectly with Toyota, the city's life and social-cultural activities were adjusted to Toyota's Calendar. For example, school events that parents participate in were changed to match the holidays based on Toyota calendars. So, parents who work in or with Toyota can join the activities. These illustrated the meaning of "Toyotism" and living in Toyota's world in Japan 11.

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⁹ TPS: Toyota Production System. TPM: Total Production Maintenance. TQM: Toyota Quality Control.

⁵S: seiri (整理), seiton (整頓), seisō (清掃), seiketsu (清潔), and shitsuke (躾), and translated as "sort", "set in order", "shine", "standardize", and "sustain"

¹⁰ Difference between Toyota Way and Toyota Culture/ Philosophy: Toyota Culture/philosophy includes a set of Toyota's values and principles, and one of its pillars is "Toyota Way 2001". According to Toyota Global website, "Toyota was established 28th of August 1937. Their main philosophy is divided into Guiding Principles at Toyota, Toyota Way 2001, The Toyota Code of Conduct, Toyota Global Vision. The main overview of Toyota philosophy is to "Seek Harmony between People, Society and the Global Environment, and Sustainable Development of Society through Manufacturing"

¹¹ 鶴本, 西山, and 松宮, トヨティズムを生きる—名古屋発カルチュラルスタディーズ. Kaori Tsurumoto, Tetsuo Nishiyama, and Asahi Matsumiya. Living Toyotism-Cultural Studies from Nagoya. Serika Shobo. (Kaori Tsurumoto, Tetsuo Nishiyama, and Asahi Matsumiya. Living Toyotism-Cultural Studies from Nagoya. Serika Shobo)

Even the newcomers in the company expressed their surprise at Toyota's influence and power. A Japanese participant gave his thoughts on when he first joined the company:

"I was very surprised when I joined this company. Before I lived near Tokyo, so when I came here (Nagoya) and saw Toyota's calendar, I was like, what is this! Is it a company's prefecture! I felt it is very special."

Toyota's success became a phenomenon that comic books introduced the "Toyota Way" to organize workplaces and houses to improve or "Kaizen" your general performance¹². These comics used Toyota's fame and success to attract readers who wanted to obtain Toyota's high-level standards or aim to improve their work and life in general. The non-business Toyota books revealed that Kaizen and 5S are not just systems, but they can be habits in your daily life ¹³. Once individuals accept it, it changes their way of thinking, attitude, and perspectives. There were also changes in the individual's workplace, personal life, and surrounding communities¹⁴.

¹² 亀山、漫画で分かる トヨタの片づけ方 Kameyama Satoshi. Understanding Toyota's Way of Organizing "Original" OJT Solutions "Manga." (Kameyama Satoshi. Understanding Toyota's way of organizing "Original" OJT Solutions "Manga")

¹³ Abdellatif, "日本のビジネス・カルチャ—を考える:トヨタウェイとカイゼン概念を中心に Understanding Japanese Business Culture: Focusing on Toyota Way and Kaizen Concepts, Journal of Japanese Studies, Japanese Language and Culture Dept., Cairo UNI, Cairo, Egypt."

¹⁴ 山田 and 大野, 途上国の産業人材育成: SDGs時代の知識と技能. Yamada Shoko, and Ohno Izumi. Industrial Human Resource Development in Developing Countries: Knowledge and Skills in the SDGs Era. Vol. 1. 1. Nihon Hyoronsha Co., Ltd. (Yamada Shoko, and Ohno Izumi. Industrial human resource development in developing countries: Knowledge and skills in the SDGs era)

2.1.1 Kaizen's history and origin:

The concept of Kaizen is one of the most famous concepts in the Japanese business culture. Though it is tied to Toyota, Kaizen is not a Toyota-made concept more so an original Japanese concept.

"Kaizen" is a Japanese word "改善" that means "Improvement," which was described in different contexts and research areas. From history and social movements' perspectives, Kaizen first appeared in "Life Improvement Movements" or the Japanese term "生活改善運動- Seikatsu Kaizen Undou."

Kaizen movements started in Japan around the 1930s¹⁵ when the Japanese government began a campaign to improve the Okinawan's life. The campaign was not technically related to industrial Kaizen, but it was about "Improving" the Okinawan people's life¹⁶.

The Kaizen concept as we know it in the business and industries today was not originally a Japanese-made concept. It was adapted and adjusted to the Japanese management system from the United States as a quality control method in the post World War II period ¹⁷. After customization and modification, the method's name became Kaizen and was re-exported to the

¹⁵ 中村, 近代沖縄と生活改善運動の射程: 1930年代の事例を 中心に. (Nakamura Saki. "Modern Okinawa and the range of the life improvement movement: Focusing on the cases of the 1930s.")

¹⁶Tomiyama's book "Memories of the Battlefield" talks about changes in Okinawan society and points out that the Japanese government has started a" Seikatsu Kaizen/ life improvement campaign" in Okinawa during the 1930s. The Gov. began the campaign to improve Okinawa's people's lives, and it was involved in every detail of Okinawans' daily lives. Starting with the policies taken in Okinawa and extended to Okinawa's language, clothes, habits, etc. 冨山、戦場の記憶. Tomiyama Ichiro. Memories of the Battlefield. Nihon Keizai Hyoronsha.

¹⁷ Ohno et al., "Introducing Kaizen in Africa. In GRIPS Development Forum (Vol. 1, No. 1, Pp. 1-8)."

western world. Masaaki's book "Kaizen: The Key to Japan's competitive success" introduced it in its new form to western culture as a "continuous improvement" practice that involves everyone in the workplace ¹⁹. Moreover, Brunet defined Kaizen as "pervasive and continual activities, outside the contributor's explicit contractual roles, to identify and achieve outcomes he believes contribute to the organizational goals ²⁰."

Along with Toyota expanding beyond borders and specifically into the United States, there was a need to keep a record of the Toyota Way and introduce it to a new environment while ensuring it was followed. This expansion gave birth to the "Toyota Way 2001" when introduced to the American staff working for the company (A more detailed explanation of the Toyota Way will be in Chapter three.) It was not a simple transfer process in which the Toyota Way and culture evolved in a different style than the original Japanese style.

A hybrid culture was born that was not purely American or Japanese, nonetheless effective at work and producing results ²¹, which showed how the methods and meanings of concepts take different routes and forms when implemented in new cultures or environments.

A hybrid culture is an essential step or outcome of adaptation and customization, which are crucial in the globalized market. People's understanding and actions are different from each other; even a minor change added to a culture, system, idea, or concept will change its original form, and we will have a new modified hybrid culture. It is a way to accept new things and survive the demanding environment in globalization. It does not matter how far cultures, histories, or

¹⁸ Kaizen as defined by Masaaki: "[A] means of continuing improvement in personal life, home life, social life, and working life. In the workplace, Kaizen means continuing improvement involving everyone – managers and workers alike. The Kaizen business strategy involves everyone in an organization working together to make improvement without large capital investments."

¹⁹ Ibid.

²⁰ Brunet and New, "Kaizen in Japan: An Empirical Study."

²¹ Liker, Hoseus, and Organizations, *Toyota Culture*.

systems are different when working or communicating, as long concepts or ideas can be customized to people's needs and conditions and adapted to their value systems and cultures. It is not mandatory to enforce specific ways or forms to be applied because it was successful in a particular case. The difference should be acknowledged first, then respected to know how to deal with it, not fight it and deny it.

A similar process of transferring Kaizen and Toyota Way is in progress on the other side of the world in Kaizen Center and Toyota Motor Engineering Egypt (TMEE) in Egypt.

This hybrid culture-making process and the cultural friction, systems and mindset differences, and language barriers created a challenging work environment. While lacking understanding of backgrounds, the various interpretations, work styles, and expectations affected communication and relationships among team members far away from headquarters and business partners.

How do the involved parties deal with these challenges to overcome inter-cultural business communication challenges? And how to achieve cross-cultural competence to facilitate investments and international cooperation between Egypt and Japan? These are questions that should be considered, especially since, in March 2019, Japan started directing huge investments into Egypt, mainly in the automobile industry, and agreed to establish an industrial zone in the Suez Canal area. These questions' points will be discussed in detail in chapter five.

2.2 Research Objectives

This research is baseline research that aims to monitor and document the communication challenges among Egyptians and Japanese staff in Kaizen Center, TMEE, and the involved parties in Egypt. Based on the findings, this research aims to illustrate how to achieve cross-cultural competence in such workplaces.

This research seeks to elucidate the challenges in the Kaizen Center and TMEE as representatives of Kaizen and Toyota's globalization in Egypt. Both entities' cases were studied to investigate, document, and analyze the Egyptian- Japanese business communication. Thus, the following questions arise to make it easier to understand the Egyptian and Japanese business cultures and their differences in Egyptian- Japanese business workplaces in Egypt, especially Kaizen Center and TMEE:

- 1- What are the challenges that obstruct communication between Egyptians and Japanese?
- 2- What is needed to achieve cross-culture competence?
- 3- How to create a communication map/ guideline to understand the cultural differences in international business?

The abstract goal is to discover the friction caused by the nonverbal disputes in business communication in Egypt and to put it in words in a defined, clear document through investigation and narrative of various involved parties. Such a study targets to help interested and involved parties understand the nonspoken, unwritten business culture, which is a challenging task, especially in a sensitive and conservative society like Egypt. Also, to demonstrate the challenges for this kind of research and its considerations.

2.3 Methodology

2.3.1 Conceptual Framework of the Study

The conceptual framework is a combination of theoretical and practical research. This research consists of a combination of literature analysis on Kaizen, cross-cultural competence, and international business communication-related research, as shown in Figure 2.

Primary data was drawn from open-ended qualitative interviews conducted with Egyptian and Japanese participants who engage with Kaizen in Egypt. The research illustrates the forms of Kaizen applications in Egypt and the cultural and communication challenges during the dissemination of Kaizen and Toyota Way in Kaizen Center and TMEE in Egypt.

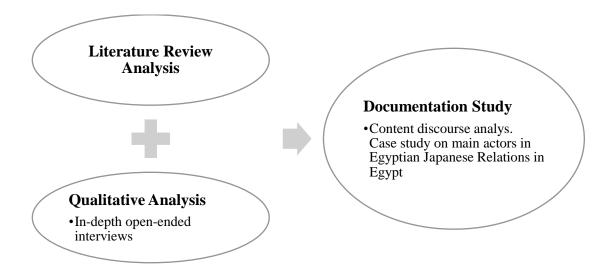


Figure 2. Conceptual Framework of the Study

Source: Author

First is the analysis of previous literature related to Toyota Way, Kaizen, intercultural business communication, and cross-cultural competence. In journal articles, Toyota books²², and media news as secondary data.

The main aim of the research is to discover the untold stories and not-reported communication-related challenges in Egyptian Japanese workplaces in Egypt. This starts with Toyota Motor Engineering Egypt and Kaizen Center, then expanding to include the insights of the involved parties with the two main destinations, the main actors and decision-makers in the Egyptian-Japanese relations. This covered Egyptian ministries, international organizations, the private sector, and the business counsel's representatives, the Ministry of Trade and Industry (MTI), Ministry of International Cooperation (MOIC), Japan Embassy in Egypt, Egypt Japan University of Science and Technology (E-JUST), Japan International Cooperation Agency (JICA-Egy), Japan External Trade Organization- (JETRO- Egy), and Egyptian Commercial Services (ECS), and the Egypt-Japan Business Council (EJBC).

The interviews were mainly one-on-one, in-depth, open-ended interviews with representatives from the selected authorities mentioned above, as illustrated in Figure 3.

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²² Toyota Books present a variety of books that is tackling Toyota from different perspectives, which is not related to technicalities and business management. Cultural, history, Toyota self-profile, and the Japanese comic books "Manga".

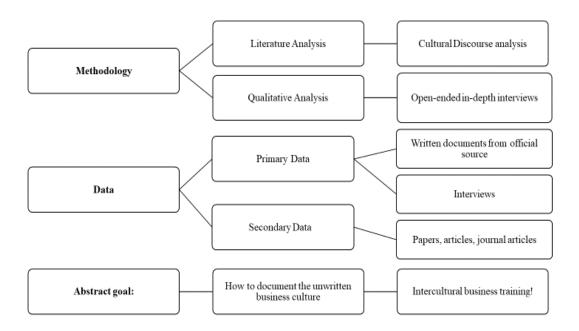


Figure 3. Methodology Chart

Source: Author

Investigations focus on how the Toyota Way and Kaizen, as representative of Japanese business culture, are introduced in Egypt. Specifically, on Kaizen Center in the Ministry of Trade and Industry and Toyota Motor Engineering Egypt- TMEE as the pioneers to start implementing Kaizen and Toyota Way in Egypt.

Unlike previous endeavors that focus on industrial and managerial aspects of Toyota Way and Kaizen, this research investigates the cultural differences and intercultural business communication in Kaizen Center and TMEE. It illustrates the communication patterns inside these multicultural workplaces, their impact on the individuals and work environment, and how they manage it.

The theoretical framework of this research employs Edward T. Hall's model of High Context and Low Context Cultures on the explored events during the interviews.

The research documents Egyptian-Japanese work experience, especially the communication with business from a cultural perspective. The study focuses on the Egyptian side's experience and challenges in the workplace, as there was no documentation or record in this area in Egypt. It focuses on understanding others and finding patterns in communication or challenges rather than self-criticism. However, to have better indicators of Egypt's situation, Japanese participants represented 40% of the participants, and the set of questions directed to all participants were the same. While the Egyptian participants focused more on challenges related to communication, Japanese participants concentrated on the system and regulation-related challenges.

As the study is baseline research, it can be the first step to highlighting some patterns representing the Egyptian business culture or its taboos through the narrative of the main actors and decision-makers. The results can be used as a base to write down the Egyptian business culture through the narrative or record of the main actors, to achieve cross-cultural competence in such international business areas. Therefore, there is a need to facilitate more collaboration between the Egyptian and Japanese sides and foreign counterparts, as well as avoid failures and losses in investments and relationships.

The research methodology is a combination of literature analysis of the secondary data that covered various self-profile of the Toyota corporation and Toyota books covering Toyota's history, culture, "Toyota Way," principles, philosophy, and "Toyotism." Moreover, studies about Kaizen and Toyota Way applications outside Japan, cross-cultural competence, intercultural business communication, and challenges in international business were also covered in this study. High and low context cultural differences and how they affect intercultural business communication were

likewise tackled. This was done to cover the lack of written data on the Egyptian side concerning business culture and decide on the gaps to fill through the interviews.

The primary data collected in this study are as follows:

1) Documents:

Primary data in the form of documents were collected from official Egyptian authorities and international organizations through fieldwork investigations and interviews (soft and hard copies). The primary data were mainly collected from the Ministry of Trade and Industry's Kaizen Center, Ministry of International Cooperation, Egyptian Commercial Services, Egypt Japan University for Science and Technology (E-JUST), Japan Embassy in Egypt, JICA, JETRO, and EJBC.

It is challenging to obtain documents in Egypt, especially government documents. This is because disclosing official documents in the country is complex and sensitive in most cases. In addition, the lack of proper records and documenting system also contributes to the challenge of acquiring government documents. Moreover, the absence of a grand integrated design among ministries and authorities in Egypt makes it harder to get official documents. The procedure is also lengthy and time-consuming with exceptions to those working for the government or have connections from the inside. Aside from these documents, Raw interview transcripts from the years 2020 and 2022 as well as interviews from 2017-2018 were utilized.

2) Interviews:

Semi-structured in-depth interviews were conducted with JICA's Egypt office and Kaizen Center first as interviews attempt to document their current situation. The interviews selected the managerial and senior staff, while other participants from their teams were selected according to their availability. In addition, the selected participants were primarily from the government sector. Hence, building trust and strengthening the network to get appointments through the participants' recommendations were essential. In addition, due to the sensitivity of the positions of these high officials from the governmental authorities and the Toyota staff in Japan, nomination or direct introduction through participants was the best option to get appointments. The snowball method was used to select the rest of the participants, which enabled this kind of diversity and getting in touch with important and sensitive contacts participants.

Since the participants were mostly government officials, an official introduction letter from the university was prepared. The letter included the author's introduction, the purpose of the meeting, the research topic and interview questions, and the confidentiality statement. The letter was attached to the emails of the introduction and was sent to the participants in advance.

Due to COVID-19 and the travel restrictions, some interviews were conducted using online platforms such as zoom, and others could not be arranged.

The questionnaires used in the interviews were semi-structured with six open-ended questions intended to explore the untold, non-documented events and stories in the workplace. These questions aimed to understand the Egyptian and Japanese reactions and insights toward their colleagues and counterparts.

The questions covered self-introduction, work experience, pros and cons of working with Egyptians or Japanese, and the challenges they face in the workplace. The questions also tackled the challenges that the participants faced because of poor communication or cultural differences and how they dealt with them. In addition, this was done to trace and discover how problems start, develop, and analyze their root causes.

The interviewees were chosen based on their involvement with Japanese organizations, such as Kaizen Center, JICA, and TMEE. These organizations are the leading players associated with Kaizen and the Toyota Way in Egypt. This study covered different age groups and genders. In addition, arranging meetings with a high-level official was limited to their availability and their permission to their teams to participate. This resulted in obtaining information on indicators and documentation of certain events but not generalized results.

The interviews were designed to be one-on-one to guarantee all participants' privacy and free speech, although, in two discussions, seniors participated without previous notes. The author observed that their answers were more constricted when more than one participant was interviewed. One of the two interviews was re-conducted to give the participant more privacy and freedom to give their opinions without any restrictions. Two colleagues had their interviews together due to their availability and arrangements. As it was an open-ended interview, the minimum time allocated was 30 minutes for the discussion. However, some interviews lasted for more than two hours.

The author observed that the interviewees were not comfortable stating negative things about their work or with the Japanese teams. This is because either the Japanese person is a senior or a manager in the workplace or a counterpart in a government project. For this reason, stating

the problems and dissatisfaction might affect the ongoing collaboration between the entities involved. After the disclosure of the information that the research covers the pros and cons that were mentioned in previous literature, as well as mentioning that the author is a government employee at the minister's office, the participants were able to answer more freely and even release sensitive and classified data.

The interviews from 2020 to 2022 were conducted in Egypt in the interviewee's workplaces (offices, factories, and workshops). The interviews were conducted in Arabic, English, and Japanese languages. They were audio-recorded (a total of 29.1 hours) while taking notes.

On the other hand, the 2017-2018's fieldwork investigations were conducted in Egypt and Japan also in three languages (Arabic, English, and Japanese). However, the transcript is in English to unify the data from the fieldwork, which will be discussed further in the succeeding chapters.

2.3.2 Kaizen and International Cooperation Projects

Kaizen plays a critical role in corporate support as one approach to extend internationally. Kaizen also has another international context in the international cooperation projects. It is introduced through Japan International Cooperation Agency (JICA) technical cooperation projects in developing countries to transfer the Japanese know-how and develop their industrial policies.

Shimada Go stated that while the main target was to introduce Kaizen as a tool to improve industrial policies, it took different paths in developing countries. The governments applied it in the health sector, vocational education, education systems, worker's protection, education system improvement, and even local government training. Therefore, Shimada Go emphasizes that when implementing Kaizen, it is essential that each case or country's conditions, historical, tradition, and cultural background should be considered for a successful process²³.

Till TICAD²⁴ 2013, when Prime Minister Abe mentioned Kaizen and its importance, the concept of Kaizen was not deeply studied in the international research area. Moreover, it faced much opposition within JICA and the World Bank (WB). The controversy started when the WB stated that it deviated from the Washington Consensus (WC). WC says that the government should not intervene in the market and control it by putting policies directly. Yet, Kaizen attracted more

²³ 島田, "特集:国際開発におけるカイゼン研究の到達点と 今後の課題 —学際的アプローチからの政策的

インプリケーションの検討—. Shimada Go. 'Special Feature: Achievements and Future Challenges of Kaizen Research in International Development-Examination of Policy Implications from an Interdisciplinary Approach-.' International Development Research 27 2 (2018): 1–11."

²⁴ "TICAD stands for Tokyo International Conference on African Development. The government of Japan has been leading this conference since 1993, co-hosted by United Nations, United Nations Development Programme (UNDP), World Bank and African Union Commission (AUC). TICAD7 was held on 28th - 30th August, 2019 at Pacifico Yokohama, Yokohama city, Japan, with more than 10,000 people, including 42 African leaders from 53 African countries, 52 development partner countries, 108 heads of international and regional organizations, and representatives of civil society and the private sector."

researchers in/outside Japan, as it is crucial in managing human capital, which affects economic growth²⁵.

Researchers pointed out the importance of discussing Kaizen as a concept related to industrial policy and engineering, not as a Japanese-Made concept or system²⁶, as that might affect Kaizen's international dissemination²⁷. However, Kaizen's global fame started with Toyota as one of the main pillars of Japanese economic success. Thus, linking Kaizen to Japan might be more appealing and help promote and disseminate it, especially in developing countries, where they only took Kaizen into different sectors other than industrial areas.

In a case study about Kaizen in Ethiopia, Shin Komei pointed out that workers' mindset, values, and way of thinking affect their motive and sense of responsibility toward their work. Those values differ from one person to another, and they affect interpersonal relationships in the workplace, work procedures, and attitudes to accept changes in the surrounding environment. That is why it is essential to understand the mindset and know about society's conditions and background ²⁸. Is it a high-context culture society or a low-context culture? High and low context cultures are classifications developed by Edward T. Hall.

Edward T. Hall is an American cultural anthropologist who pioneered intercultural communication and developed the high and low-context cultures model. Hall classified Japan as a

²⁵ 島田, "特集:国際開発におけるカイゼン研究の到達点と 今後の課題 —学際的アプローチからの政策的インプリケーションの検討—. Shimada Go. 'Special Feature: Achievements and Future Challenges of Kaizen Research in International Development-Examination of Policy Implications from an Interdisciplinary Approach-.' International Development Research 27 2 (2018): 1–11."

²⁷ 藤本, 生産マネジメント入門I.

²⁸ 山田 and 大野, 途上国の産業人材育成: SDGs 時代の知識と技能. Yamada Shoko, and Ohno Izumi. Industrial Human Resource Development in Developing Countries: Knowledge and Skills in the SDGs Era. Vol. 1. 1. Nihon Hyoronsha Co., Ltd.

high-context society. A high context society is where people can communicate with each other from the context of the story without having to express all their intentions in words²⁹. Thus, when implementing Kaizen in a foreign country, you better consider the difference between the Japanese and the host culture.

For example, Shin Komei elaborated on Kaizen in Ethiopia's case, how the mindset affected the Kaizen transaction process, and the differences between Japanese and Ethiopian societies' input. Komei considered the unspoken language, reading the atmosphere of the place is one of the "traditional aspects" of Japanese society, which has not experienced much of the fluidity of foreigners flowing across national borders. On the other side, Ethiopia, which has maintained its own culture for a long time and escaped colonization by the West, is also a society that emphasizes human connection and has many implicit rules. Thus, Komei stated that when you disseminate Kaizen in Ethiopia, rather than dealing with it as a technology transfer process, it should be seen as a new value that Ethiopians have tried to incorporate into their traditions in development and globalization. The transferability of Kaizen and 5S may have started as systems, work orders, and steps through Ethiopia Kaizen Institute (EKI). Still, once individuals accept it, it changes their attitude and perspectives, not only inside the workplace, but the impact also reaches their personal life and surrounding communities³⁰.

That already was the case with the JICA Egypt Kaizen, and 5S's Project with the Egyptian Ministry of Health (MOH) in six pilot hospitals³¹, as a senior Japanese participant in JICA's Egypt

²⁹ Hall and Hall, *The Silent Language*.

³⁰ 山田 and 大野, 途上国の産業人材育成: SDGs 時代の知識と技能. Yamada Shoko, and Ohno Izumi. Industrial Human Resource Development in Developing Countries: Knowledge and Skills in the SDGs Era. Vol. 1. 1. Nihon Hyoronsha Co., Ltd.

³¹ JICA Egypt Kaizen and 5S project with the Ministry of Health, Tanta Public Hospital. Information collected by the author during the fieldwork 2017.

office mentioned. The project is in the Egyptian government sector, where mindsets and people's cultures are different, and the management system is centralized. Bureaucracy can be a considerable obstacle to implementing Kaizen. However, in Ethiopia's case, Komei mentioned that if many people can cultivate a mindset that makes their work worthwhile and actively ingenuity, productivity will improve dramatically if the workplace can provide an environment that supports it³². And that was the case in Egypt in Kaizen's project in the public hospitals. The management was convinced and facilitated and managed to apply Kaizen and turn it into the hospital's culture, as senior Japanese staff in JICA- Egypt mentioned about the project in Tanta hospital, shown in Figure 4. It will be elaborated more in chapter four.

"The project is not only in Cairo but in different governorates. As I mentioned, JICA has tried applying Kaizen in many countries in Asia and Africa. Still, actually, the best excellent practice we saw in such a short time was Tanta hospital. Even compared to other countries in Asia and Africa, Tanta surprisingly achieves great success."



Figure 4. JICA's Report, Tanta Hospital: Health sector cooperation planning survey in Egypt ³³

³² 山田 and 大野, 途上国の産業人材育成: SDGs時代の知識と技能. Yamada Shoko, and Ohno Izumi. Industrial Human Resource Development in Developing Countries: Knowledge and Skills in the SDGs Era. Vol. 1. 1. Nihon Hyoronsha Co., Ltd.

³³ Source: JICA Report :HEALTH SECTOR COOPERATION PLANNING SURVEY IN ARAB REPUBLIC OF EGYPT , FINAL REPORT, March 2017, http://open_jicareport.jica.go.jp/pdf/12285292.pdf

Hence, it is essential when discussing the transferability of Japanese know-how and management systems to define whether it is applied in an international company, private sector, or governmental sector. Also, the following elements should be considered: culture, traditions, workers' mindset, and workplace culture if it is top-down management or bottom-up management.

Practicing Kaizen will not be successfully transferred unless the culture is merged with the host country and changed from its original form. When Japan is not considerate toward the domestic cultures of international manufacturing companies, the Kaizen management approaches fail. Japan assumes that what works in Japan must be replicated in other nations. They insist that foreign-owned businesses follow its management system ³⁴, which Desta interpreted as insensitivity to local cultures ³⁵.

"The dysfunction of the kaizen management techniques occurs when Japan is insensitive to domestic cultures of foreign manufacturing companies. Japan has assumed that what works in Japan has to be uniformly implemented in other countries, and Japan insists that foreign-owned companies must emulate its management system."

An anonymous Egyptian participant mentioned a similar situation during the interviews when the Japanese staff's poor attitude affected the work and even the outcome.

"Changing work from Germans to Japanese, everything is different. Germans have one specific task you work on it. It is nothing like multi-tasks, as in Toyota. That's why you find a German expert, who is a senior, and when you talk to him about other problems far from his area, he says, I don't know. They only work in their area. Germans are more open-minded. They allow you to add (new things) if they find what you add improves the final results. Japanese don't let it, as they have a specific role model they must follow... Germans don't have a limit on communication. They give you all information you need to teach you. Japanese, no. They don't always give you the information, and sometimes they tell you this is enough for you to work. Germans provide you with knowledge without limitation. Maybe it is the Japanese mentality or mindset. Japanese people, unfortunately, are a bit arrogant and look down on others as second/third degree. European are not like that, especially Germans. They deal with you as an equal human. Japanese look down at you, "we understand better, or whatever what you did, we

³⁵ Desta, "The Transferability of the Japanese Kaizen Management Techniques: Lessons for Ethiopia."

³⁴ Shaari, "Barriers to Implement TQM in Japanese Way: A Study on Companies in Malaysia."

are here to give you work and supervise you, and our brand is all over the world, and it is the best."

However, according to Shimizu³⁶, this "Insensitivity" of Japanese companies doesn't have to be exclusively toward foreigners; the Japanese "Zaibatsu" (Financial clique) control, with no mercy, the small Japanese suppliers. The latter can't reject or resist their pressure due to the harsh, unfair conditions they put on them. Thus, the suppliers can't do anything but do what they are ordered for the sake of late but safe benefit, instead of risking everything while standing against them³⁷.

"The core company puts itself in a position to harvest the fruits of the system. It may suddenly change models, time of delivery, amount of delivery, and even purchase price. In order of frequency, the leading complaints raised by parts suppliers are that (1) they must bear transportation costs, (2) orders are frequently changed, (3) they cannot set holidays without consulting the core company, and (4) first-thing-in-the-morning orders necessitate overtime labor. In other words, the core company can "prevail on" (Muri o Iu) or "abuse" (Ijimeru) suppliers. This abuse also extends to lower tiers of production...Such practices make possible what those outside Japan consider to be dumping. The suppliers at each level sacrifice short-term gains for long-term job security, pg. 88"

Despite that, when a senior Japanese staff at Toyota Motor Engineering Egypt had a similar disrespectful attitude toward the Egyptian suppliers, they didn't quietly obey or accept it. They escalated it to the highest level, to Egypt's Cars' Manufacturing Union, and the Japanese engineer was sent back to Japan. That shows the difference between Toyota's name impact in Japan and Egypt and the cultures in both countries. What might pass in Japan can be a cultural taboo in

³⁶ Shimizu, The Dark Side of Japanese Business Three "Industry Novels."

³⁷ Shimizu and Prindle, *The Dark Side of Japanese Business: Three "Industry Novels" Silver Sanctuary, The Ibis Cage, Keiretsu.*

another country. Thus, it is essential to understand the host culture or country (its taboos and manners), which will integrate the efforts into the business.

A minimum of mutual understanding of the background is required to facilitate business communication. In addition, the Egyptian business culture should be more well-defined to find the best approach to proceed with work and projects. The main challenge is that there are no official Egyptian records of Egyptian business culture as the author investigated, which will be discussed in chapters five and six.

Chapter 3. Literature Review

This chapter details the literature on Kaizen and Toyota and is summarized in Figure 5. Kaizen definitions from various perspectives such as in Japanese language, history, culture, social movements, industry, and global business will be discussed. Following these discussions, Toyota's history, the "Toyota Way," culture, and Kaizen's contribution as a central pillar in the Toyota Way will be illuminated. Consequently, a discussion about Kaizen's development into a global concept will be tackled. Kaizen in Egypt will be discussed before concluding the chapter.

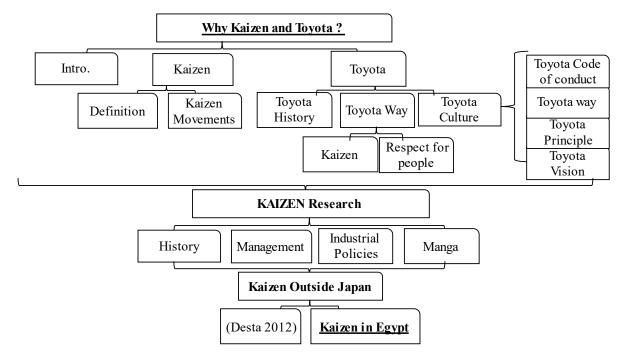


Figure 5. Literature chapter flow chart

Source: Author

3.1 Problem Statement. Kaizen and Toyota Way

Business collaborations, expansions, relocations, and interactions of businesspeople from various cultural backgrounds are by-products of a globalizing world. As a result, different cultural values, business practices, and expectations are integrated into the same workplace. All of these have various impacts on the work environment. The author worked with various nationalities for six years and more closely with the Japanese. Knowledge of how to communicate with international team members and counterparts was essential to have a better work experience. This prompted the author to start reading about Japanese business and culture. During this period, "Kaizen" was the most encountered concept which led to focus on Toyota and the Toyota Way³⁸. The Toyota Way is divided into two central concepts. First is Continuous Improvement, which consists of Challenges, Kaizen, and Genchi Genbutsu ³⁹, while the second is Respect for People, which consists of respect and teamwork (Figure 6).

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³⁸ The Toyota Way 2001 identifies that, "Toyota Way means the values and principles that must be shared by all Toyota members, and it is mainly two pillars: continuous improvement and respect for people." http://www.toyota-global.com/company/history_of_toyota/75years/data/conditions/philosophy/toyotaway2001.html Accessed 4th of May 2021

³⁹ "Genchi Genbutsu (English: Go and see for yourself): The best practice is to go and see the location or process where the problem exists in order to solve that problem more quickly and efficiently. To grasp problems, confirm the facts and analyze root causes."

https://mag.toyota.co.uk/genchi-genbutsu/. Accessed 7th of April 2022

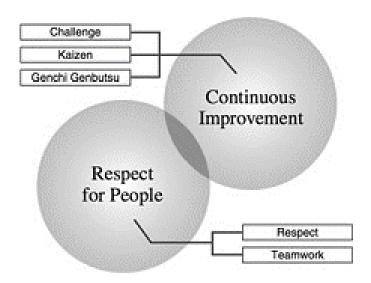


Figure 6. Tovota Way 2001.

Source: Toyota Global website

3.1.1 Toyota

Toyota is the most famous institution that incorporates Kaizen into its workplace. Thus, it was essential to learn about the Japanese automobile giant and Kaizen in Toyota's context.

As mentioned briefly in the introduction chapter, Toyota is an international company with more than 170 offices worldwide⁴⁰. Along with Toyota's global expansion, the Toyota Way and Kaizen are being reproduced as popular culture whenever they cross Japan's borders and integrate with new cultures. Several researchers studied Toyota and Kaizen from different perspectives other than business and management systems. Researchers looked into the culture, history, and communication perspectives that affect people's mindset and communication. Some examples are the Toyota Way, Kaizen, and Toyota Philosophy. The Toyota Philosophy is the broader concept which includes the company's values and principles. One of the Toyota Culture's pillars is the Toyota Way 2001. According to the company's Global website, "Their main philosophy is divided

⁴⁰ 170+ countries and regions around the world, and 67 manufacturing companies. Source: Toyota in the world, https://www.toyotauk.com/about-toyota/toyota-in-the-world.html

into Guiding Principles at Toyota, Toyota Way 2001, The Toyota Code of Conduct, Toyota Global Vision. The main overview of Toyota's Philosophy is to "Seek Harmony between People, Society and the Global Environment, and Sustainable Development of Society through Manufacturing⁴¹."

With such a long history and contribution to the Japanese economy, Toyota is considered as one of the Japanese economic pillars. The Japanese participants stated during their interviews that working for Toyota, belonging to such existence, and living in Toyota's world in Japan is a pride to Toyota's staff.

Toyota started not as an automobile maker but developed its business from the textile industry. The company developed a firm and well-established philosophy and values, known as Toyota Culture or philosophy, as shown in Figure 7.

⁴¹ Source: 75-year History through data.



Figure 7. Toyota Philosophy

Source: Toyota Global Website 42

Toyota has been involved in its employees' lives in various ways, even during the company's early years. For instance, Toyota supported company employees and their families by enrolling them in the Toyota cooperatives "Toyota Seiyu" since 1945, even before supermarkets began spreading in Japan. From the beginning, Toyota was not only running a business or caring about only numbers but was also involved in its employees' lives, families, and social activities. Furthermore, Toyota City, located in Aichi Prefecture, adjusted its social and cultural activities according to the Toyota Calendar. Since most people in the city work for Toyota, the school events of the students whose parents work for the company adjust their social events to enable parents to

⁴² Corporate Philosophy: Toyota Code of Conduct:

[&]quot;The Toyota Code of Conduct (adopted in 1998, revised in 2006) organizes the basic attitudes necessary for people working at Toyota to put the Guiding Five Main Principles of Toyoda into practice and to fulfill social responsibilities and indicates specific points to keep in mind."

http://www.toyota-

global.com/company/history_of_toyota/75years/data/conditions/philosophy/code_of_conduct.html Accessed May 15th, 2021

have time with their children. The city's residents customized the working hours of the city's restaurants and local businesses in favor of Toyota's Calendar. This scenario emphasized the value of "Toyotisim" and living in Toyota's world in Japan ⁴³.

Kaori Tsurumoto, Tetsuo Nishiyama, and Asahi Matsumiya explained this in the following original Japanese text quoted in their book entitled "Living Toyotism" about Toyota's Japanese staff in Japan and their strong sense of pride in belonging to Toyota:

"スーパーマーケットが日本に広まる以前、1945 年からトヨタ生協は存在していた。結局「乾いたぞうきんをさらに絞る」と呼ばれるトヨタ式の合理化圧力は、生活の豊かさ、生活のゆとりとしての「文化」とは相容れないのではないだろうか。……さらにトヨティズムは、休みの日にも運動会やお茶の会に労働者とその家族を招待動員し」と言ってもいいが、生活を丸抱えで面倒みてきた(つまり管理してきた)。豊田市全域にひろがる場群は、その合理的な生産のために「トヨタカレンダー」ばれる生産スケジュールを共有しているが、それが豊田夷の一般生活にも波及効果をもたらす。トヨタとその関連会社に勤める人はもちろんだが、トヨタと直接関係をもたない地域の商店や地方自治体でも、「トヨタカレンダー」を念頭において自らの勤務日程を調整せざるを得ない。pg 10,12 44"

After Toyota expanded into the United States, the Toyota Way was introduced to the American staff. The concept was protected and applied in the new host country in which the "Toyota Way 2001" was born. In the new country, the Toyota Way evolved differently from the Japanese way, adjusted to be well understood by the new individuals from the host country. Interestingly, it didn't change to a purely American way. A new Toyota Way was originally designed by Japanese minds, later customized and applied by the American staff. The new mix is

⁴³ 鶴本, 西山, and 松宮, トヨティズムを生きる—名古屋発カルチュラルスタディーズ. Kaori Tsurumoto, Tetsuo Nishiyama, and Asahi Matsumiya. Living Toyotism-Cultural Studies from Nagoya. Serika Shobo.

⁴⁴ 鶴本, 西山, and 松宮.

not one hundred percent Japanese or American, yet the outcome yields efficient results. This scenario illustrates the meaning of "Recontextualization⁴⁵."

"What happens to Japanese management systems when they are exported from Japan to America through Japanese direct investment. The answer: the hybrid culture that evolved in the United States is not an exact replica of that same Japanese company, though the result can still be highly effective.

Mary Yoko Brannen uses the term "recontextualization" to describe how the concepts take on different meanings when brought into a different culture. Brannen Mary Yoko, Jeffrey K. Liker and W Mark Fruin "Recontextualization and Factory-to-Factory Knowledge Transfer from Japan to the U.S.: The Case of NSK," in Remade in America: ⁴⁶ pg. 16"

As Toyota expands its business globally, the Toyota Way is fitted to a new country's setting. This makes it easier to understand and practice by new individuals in a new country. It evolves in a new way, similar but quite different than the original Japanese version. The globalized Toyota Way pertains to more than just business and management systems' replications and goes beyond that, into people's general lifestyle.

This shows how the methods and meanings of concepts take different forms inside globalization as they are integrated into a new culture. It is integrated accordingly to the new nation's conditions and needs. This results in the concept being recreated and "Re-contextualized."

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⁴⁵ Liker, Hoseus, and Organizations, *Toyota Culture*.

⁴⁶ Liker, Hoseus, and Organizations.

3.1.2 Kaizen

Kaizen is one of the most well-known concepts in Japanese corporate culture before it became one of the main pillars of the Toyota Way. It is often associated with Toyota's name because Toyota is known for applying it in its business practices. However, Kaizen is not a concept that originated with Toyota. Originally, Kaizen is a simple word in the Japanese language written in two Chinese characters, "改善," meaning "improvement of the wrong part/wrong place." Simply put, "improvement." The term "Kaizen" is used and explained in different contexts and research areas. From the perspective of history and social movement, Kaizen first appeared in the life improvement movements "生活改善運動- Seikatsu Kaizen Undou," which started in Japan around the 1930s ⁴⁷, when the Japanese government launched a campaign to improve the lives of the people of Okinawa. The campaign had nothing to do with "Industrial Kaizen" but targeted improving all aspects of life in Okinawa ⁴⁸.

"The origin of the Kaizen concept, as we know it today in business and industry, is admittedly not originally a Japanese concept. It was adapted to the Japanese management system in the post-World War II period after importing the concept from the United States as a quality control method. "In Japanese management, Kaizen means "continuous improvement," involving the entire workforce from the top management to middle managers and workers. The origin of Japan's Kaizen movement was the quality control method imported from the United States (US)

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⁴⁷中村, "近代沖縄と生活改善運動の射程: 1930年代の事例を 中心に. Nakamura Saki. 'Modern Okinawa and the range of the life improvement movement: Focusing on the cases of the 1930s.' Machikaneyama's Ronso. Japanese Studies."

⁴⁸ 冨山, *戦場の記憶. Tomiyama Ichiro. Memories of the Battlefield. Nihon Keizai Hyoronsha.* Tomiyama's book "Memories of the Battlefield" talks about changes in Okinawan society and points out that the Japanese government has started a" Seikatsu Kaizen/ life improvement campaign" in Okinawa during the 1930s. The Gov. started the campaign to improve Okinawa's people life, and it was involved in every detail of Okinawa's people's daily lives. Starting with the policies taken in Okinawa, and extended to Okinawa's language, clothes, habits, etc. Those who did not obey the government's instructions were considered as moral criminals.

However, some Okinawans were genuinely trying to improve their life standards and trying hard to change their lives and personalities to be accepted and merged into the new ruling system and feel belonging.

in the post-World War II period. Japan assimilated and developed this as its own management practice method, which later even surpassed performance in the US. (Ohno, Izumi, et al. 2009)⁴⁹"

Kaizen was adapted to Japanese society and mentality and re-exported. The Japanese introduced it to Western culture in Masaaki's book, Kaizen: The Key to Japan's competitive success, as a practice of "Continuous Improvement" that involves everyone in the workplace ⁵⁰.

Kaizen has also been defined beyond the business world as a philosophy, a spirit of improvement based on collaboration and commitment that is equally relevant in personal, domestic, social, and professional life. Regardless of the practice or field in which Kaizen is applied, there are some "key characteristics" to keep in mind: "continuity, natural, gradually incremental, and participative⁵¹."

With all the different definitions and perspectives that have examined Kaizen, there is no end and no final destination. It constantly strives for a better place, a better performance, a higher level, or a stage. It is a double-edged sword of limitlessness to push one's limits toward no particular goal except improvement itself. Kaizen is an endless process, for one should strive for improvement as long as one lives. But it can also be exhausting, stressful and perhaps time consuming in a very competitive environment. The Toyota Way and Kaizen, which began as management systems, are becoming a global cultural phenomenon. They are being re-produced as popular culture and are merging with new cultures in different countries, attracting researchers from perspectives other than business. Therefore, it is better to consider that some of Toyota's

⁴⁹ Ohno, Izumi, et al. "Introducing kaizen in Africa." GRIPS Development Forum. Vol. 1. No. 1. 2009.

⁵⁰ Masaaki, "Kaizen: The Key to Japan's Competitive Success."

Kaizen as defined by Masaaki: "[A] means of continuing improvement in personal life, home life, social life, and working life. In the workplace, Kaizen means continuing improvement involving everyone – managers and workers alike. The kaizen business strategy involves everyone in an organization working together to make improvement without large capital investments."

⁵¹ Paul Brunet and New, "Kaizen in Japan."

books relate to daily life and cultural aspects. Even the Japanese comic books "Manga" promote and introduce Toyota's 5S ⁵², Kaizen, and how to organize and sort your life and work following Toyota's way ⁵³.

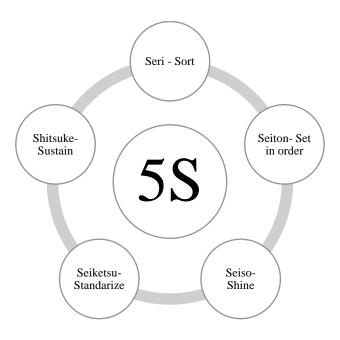


Figure 8. Toyota's 5S

Source: Kameyama Satoshi

In Kameyama's book "Understanding Toyota's Way of Organizing," he presents the rules, methods, and mechanisms. Even calculations and explanations show what happens if you cannot follow them. For example, if you waste 30 minutes a day, that's 10 hours (600 minutes) a month or 120 hours a year. In other words, it is a waste of 15 days a year ⁵⁴. Kameyama's book

[Seisou- Shine] Clean and Keep things you use every day clean

[Shitsukei- Sustain] Keep and sustain the rules for tidy cleaning

⁵² [Seiri- Sort] Separate "what you need" and "what you don't need" and throw away "what you don't need" [Seiton- Set in order] Make it possible to take out "what you need" "when you need it" and "as much as you need"

[[]Seiketsu- Standarizing] Maintaining a state of organization, tidying, and cleaning

⁵³ 亀山、漫画で分かる トヨタの片づけ方 Kameyama Satoshi. Understanding Toyota's Way of Organizing "Original" OJT Solutions "Manga."

⁵⁴ 亀山.

presents how to declutter and organize based on the Toyota Way and the 5S and apply them to personal life and at your home. It shows how the Toyota Way can be a lifestyle and extend beyond business to daily life. However, this perspective has not received much attention in corporate culture research. The book leaves a strong impression; it entices readers to follow Toyota's path, driven by the impact of Toyota's success⁵⁵.

If one follows the Toyota Way, one will achieve similar success and improve one's life, mindset, and performance in personal and professional life. At the same time, there will be a little depression because the strict rules are not followed, and it can be a challenge to keep them. Therefore, just adapt it to your lifestyle and Kaizen your life step by step, which is still a path to success. After all, Kaizen is about continuing to improve incrementally.

Non-business Toyota books show that Kaizen and 5S are not just simple systems, work orders, and actions. They may start out that way, but they change people's personal lives once they accept it, and the impact extends to their environment as well ⁵⁶.

⁵⁵ Abdellatif, "トヨタウェイとは何か-カイゼンを生きること- What is Toyota Way? Living Kaizen in Every day's life."

⁵⁶ 山田 and 大野, 途上国の産業人材育成: SDGs 時代の知識と技能. Yamada Shoko, and Ohno Izumi. Industrial Human Resource Development in Developing Countries: Knowledge and Skills in the SDGs Era. Vol. 1. 1. Nihon Hyoronsha Co., Ltd.

3.2 Beyond Japan's borders

As mentioned earlier, the start of Toyota Way 2001 was to cope with Toyota's expansion in the United States. The transferring process of the Japanese business know-how, management system, and the transfer of Toyota's values and philosophy was essential to keep the company's culture in its new host environment. For these reasons, some questions come to mind. Was this transferring process smoothly done? Is it 100% Japanese way done, or is some adjustment needed to be accepted and understood by the new staff? More importantly, is it the right decision to remain 100% Japanese when applied outside Japan? Eventually, you reallocate /implant your business and ideas in a new environment. The unique circumstances should be carefully considered and not ignored if you want to maximize the benefits in the new market.

Toyota and Kaizen have been the subject of numerous studies tracing their re-localization and application outside Japan and documenting their evolution. Thus, the transferability of Japanese methods and management systems has been the main subject of many studies to investigate what is necessary to achieve efficient results, even if the environment and circumstances are different, and what are the challenges to be overcome.

3.2.1 Kaizen in an International Context

Shimada Go pointed out the importance of discussing Kaizen as a concept related to industrial policy and engineering, not as a Japanese-Made as it might affect its international dissemination⁵⁷. However, Kaizen's global fame mainly started with Toyota as one of the main pillars of Japanese economic success. Thus, linking Kaizen to Japan might be more appealing and help promote and disseminate it, especially in developing countries.

Aside from the corporate support as an approach for Kaizen to extend internationally, Kaizen has another international context which is the international cooperation area. Japan International Cooperation Agency (JICA) transfers Japanese technologies and know-how to developing countries to develop their industrial policies⁵⁸.

While the main target was introducing Kaizen to improve industrial policies, it took different paths in developing countries. They applied in the health sector, vocational education, education systems, and even local government training. Therefore, Shimada Go emphasizes that when implementing Kaizen, each case, and country's conditions, historical, tradition, and cultural background should be considered for a successful process⁵⁹.

⁵⁷ 島田. "特集:国際開発におけるカイゼン研究の到達点と 今後の課題 —学際的アプローチからの政策的 インプリケーションの検討—. Shimada Go. 'Special Feature: Achievements and Future Challenges of Kaizen Research in International Development-Examination of Policy Implications from an Interdisciplinary Approach-.' International Development Research 27 2 (2018): 1–11."

⁵⁸ 島田. Till TICAD 2013, when PM ABE Mentioned about Kaizen and its importance, Kaizen was not focused on in the international research area. However, it faced many oppositions within JICA and from WB. The controversy started when the WB stated that it deviates from the Washington Consensus. W.C. states that the government should not intervene in the market and control it through putting policies that direct it. Yet, Kaizen attracted more researcher in/outside Japan, as it is important in managing Human Capital, which affects economic growth. ⁵⁹ Ibid.

In Egypt, according to the collaboration agreement between the Ministry of Trade and Industry (MTI) and JICA to share the Japanese know-how, Productivity and Quality Improvement Center (PQIC), known as Kaizen Center, began its activities officially in February 2006 as one of the technical centers under the technological development sector, MTI in collaboration with JICA. Kaizen Center was established to strengthen factories' quality and production systems in the Egyptian Industrial Modernization Program framework.

Kaizen Center's services include industrial training courses and consultation services⁶⁰. Moreover, their responsibility includes upgrading quality culture and activities in Egypt for both production and services sectors to meet international standards.

In the initial stages of preparing the Egyptian national staff, Japanese long- and short-term experts, former Toyota employees, were sent to Egypt to oversee training in the country. In addition, the Egyptian team traveled to Toyota Japan in Nagoya to participate in overseas training. They practiced what they had learned about the Toyota Production System, "Just In Time," Kaizen, 5S, and Total Quality Control, among others. Aside from the Kaizen Center project, JICA Kaizen's

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 $^{^{60}}$ Ministry of Trade and Industry Kaizen Center brochure

schemes are applied in the health sector ⁶¹, and Egyptian researchers are investigating it in government departments ⁶² and Education sectors' performance ⁶³ in Egypt.

The transferability of the Japanese know-how and management systems is argued not to be as successful as Japan due to the differences in national culture and work ethics. Japanese companies are not paying enough attention to the host country's national culture ⁶⁴. According to Desta ⁶⁵, the reasons why Kaizen management has not worked in Indonesia and Germany are as follows: "Employees feel less responsible for their work, there are rigid job descriptions and a bureaucratic organizational structure that prevents shared responsibility. At the same time, you have to have a hungry mentality."

The "hungry mentality" and the "desire to compete internationally" are solid motivations for the private sector to adopt Kaizen techniques, more so than for the government sector, where

on the agenda. It has been clearly mentioned in the Constitution that at least 3% of the GDP shall be spent on the health sector. The government has developed a white paper to guide health policy and strategic direction, which states strengthening efforts towards universal health coverage (UHC), expanding health insurance coverage, improving the quality of health services, etc. The Japan International Cooperation Agency (JICA) has supported the health sector in Egypt through projects such as grant aid and technical cooperation projects to the Cairo University Specialized Pediatrics Hospital, a technical cooperation project for nursing management and school health, and grant aid project for procurement of ambulance vehicles. In 2015 to 2016, the Egyptian government requested technical assistance to JICA in quality improvement of healthcare services through 5S-Kaizen-TQM approach, UHC, and improvement of pre-hospital care services. In response to such requests, in December 2015, JICA dispatched a study team for the purpose of gathering background information and analysis, and implementation of pre-pilot activities related to the health sector." JICA report on HEALTH SECTOR COOPERATION PLANNING SURVEY IN ARAB REPUBLIC OF EGYPT, FINAL REPORT, March. 2017.http://open_jicareport.jica.go.jp/pdf/12285292.pdf

أحمد, "متطلبات نجاح استراتيجية كايزن اليابانية للتحسين المستمر في المؤسسات الحكومية بالتطبيق على قطاع الاتصالات 2 . م. ع Ahmed Abdel Nasser, Requirements for the success of Kaizen Japanese strategy for continuous improvement in government institutions Applying to the telecommunications sector in Egypt, Scientific Journal for Economic and Trade, Cairo, Egypt."

⁶³ لإصلاح التعليم الثانوي العام المصري (kaizen) البلشي, "منطلبات تطبيق مدخل التحسين المستمر. Elbalshi Mohamed Abdel Salam Mohamed Mahmoud, Requirements for the application of continuous improvement approach (kaizen) to reform the Egyptian secondary Education, Damietta University, Egypt."

⁶⁴ Yokozawa, Steenhuis, and de Bruijn, "Recent Experience with Transferring Japanese Management Systems Abroad."

⁶⁵ Desta, "The Transferability of the Japanese Kaizen Management Techniques: Lessons for Ethiopia."

bureaucracy, corruption, low wages, lack of motive, and strict regulations present other challenges.

Especially in developing countries, as in the case of Egypt.

One of the biggest challenges in tracking JICA's Kaizen projects in Egypt has been its implementation in ministry projects, where access to data is a challenge when it is needed from the Egyptian side. There is no clear record of the "Egyptian business culture" that cannot be used to integrate Kaizen or Toyota culture into it. In addition, the top-down management system is prevalent in Egypt, especially in the government sector. In contrast, Kaizen is based on the involvement of everyone and a bottom-up style of working. However, according to Ohno, Izumi, et al. ⁶⁶, in such developing African countries, the "Kaizen bottom-up approach is still applicable if it is implemented under the leadership."

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⁶⁶ Ohno et al., "Introducing Kaizen in Africa. In GRIPS Development Forum (Vol. 1, No. 1, Pp. 1-8)." According to them "the western style in management which mainly depends on Business Process Re-engineering (BPR), is the opposite of the Japanese model. BPR is "the fundamental rethinking and radical redesign of business processes to achieve dramatic improvements in critical measures of performance" (Hammer, 1990; Hammer & Champy,1993)."

3.3 Chapter Summary

As mentioned in chapter two, Kaizen is a simple Japanese word meaning "Continuous Improvement." It first appeared in Japanese history in the 30s⁶⁷, during the Japanese government's policy toward the people of Okinawa and to improve their lives, habits, and the politics of the region⁶⁸. From a cultural perspective, Kaizen is a philosophy and a way of thinking that can improve people's performance in daily life and work ⁶⁹. Kaizen's influence extends to people's lives and their surroundings as well.

However, Kaizen, as we know it in industry and business, was originally inspired by the method of quality control in the United States after World War II ⁷⁰. The Japanese adapted this method to their needs. They managed to raise it to another level until it is known worldwide as one of the most famous Japanese industry and management systems concepts.

Kaizen is currently being introduced worldwide as one of the Japanese keys to success. What has helped to strengthen this image even more, is Toyota. As one of the most important powers in the Japanese economy, Toyota has integrated Kaizen as one of its two central pillars in the Toyota Way. When leaving the borders of Japan, whether through Toyota's global expansion "Toyota Way 2001," or through the introduction to Western culture through Masaaki's book "Kaizen: the Key to Japan's Competitive Success," or through international cooperation projects

⁶⁷ 中村, "近代沖縄と生活改善運動の射程: 1930年代の事例を 中心に. Nakamura Saki. 'Modern Okinawa and the range of the life improvement movement: Focusing on the cases of the 1930s.' Machikaneyama's Ronso. Japanese Studies."

⁶⁸ 冨山, 戦場の記憶. Tomiyama Ichiro. Memories of the Battlefield. Nihon Keizai Hyoronsha.

⁶⁹ 亀山, 漫画で分かる トヨタの片づけ方 Kameyama Satoshi. Understanding Toyota's Way of Organizing "Original" OJT Solutions "Manga."

⁷⁰ Ohno et al., "Introducing Kaizen in Africa. In GRIPS Development Forum (Vol. 1, No. 1, Pp. 1-8)."

and JICA, it is essential to take into account the conditions, history, traditions, and cultural background of each country to facilitate a successful process ⁷¹, as summarized in table 1 below.

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⁷¹ 島田, "特集:国際開発におけるカイゼン研究の到達点と 今後の課題 —学際的アプローチからの政策的インプリケーションの検討—. Shimada Go. 'Special Feature: Achievements and Future Challenges of Kaizen Research in International Development-Examination of Policy Implications from an Interdisciplinary Approach-.' International Development Research 27 2 (2018): 1–11."

Table 1 Kaizen's previous research endeavors

Field		Author	Content/ Concept
History Toyota Culture related		Tomiyama ⁷² , Nakamura ⁷³	Kaizen in Gov. policies toward Okinawa
		Liker, Hoseus ⁷⁴ , Kaori Tsurumoto, Tetsuo Nishiyama, and Asahi Matsumiya ⁷⁵ , Kameyama Satoshi ⁷⁶ ,	Toyota Way and culture related and the meaning of Toyotisim and living in Toyota's world
	Introduction to western culture	Masaaki ⁷⁷	Introducing Kaizen to western culture after customizing it to the Japanese way
International Kaizen	JICA Projects	Shimada Go.	Kaizen as industrial policy development projects in developing countries and how it evolved into different sectors (vocation training, health, education)
	Kaizen in Africa	Ohno ⁷⁸ , Desta ⁷⁹ ,	Explanation of Kaizen origin from the US and its adaptation in Japan and re-introducing Kaizen in Africa and its obstacles. A case study in Ethiopia
	Kaizen and communication	Yamada Shoko, and Ohno Izumi ⁸⁰	A case study by (Shin Komei-神 公明) about Kaizen in the African country "Ethiopia." It pointed out the importance of studying society's culture and tradition to understand the workers' mindset.
	Kaizen in Egypt	Abdel Salam Mohamed ⁸¹ , Ahmed Abdel Nasser ⁸² , Abdel Moniem Sara Hashem ⁸³ ,	"Requirements for applying a continuous improvement approach (kaizen) to reform Egyptian secondary Education." "Requirements for the success of Kaizen Japanese strategy for continuous improvement in government institutions. Applying to the telecommunications sector in Egypt. "Understanding Toyota culture and living the Kaizen in everyday life."

Source: Author

Considering cultural differences and what type of culture you deal with is crucial when you go out of your comfort zone and your borders. Especially in international business, it facilitates the transferability of the know-how and promotes international cooperation. And about what kind of cultural background you are dealing with, Edward T. Hall divided cultures into two main models: high context cultures (HCC) and low context cultures (LCC)⁸⁴. Each one of them has different specifications, and people belonging to these cultures have some common characteristics, which will be discussed in detail in chapter four.

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⁷² 冨山, 戦場の記憶. Tomiyama Ichiro. Memories of the Battlefield. Nihon Keizai Hyoronsha.

⁷³ 中村, "近代沖縄と生活改善運動の射程: 1930年代の事例を 中心に. Nakamura Saki. 'Modern Okinawa and the range of the life improvement movement: Focusing on the cases of the 1930s.' Machikaneyama's Ronso. Japanese Studies."

⁷⁴ Liker, Hoseus, and Organizations, *Toyota Culture*.

⁷⁵ 鶴本, 西山, and 松宮, トヨティズムを生きる—名古屋発カルチュラルスタディーズ. Kaori Tsurumoto, Tetsuo Nishiyama, and Asahi Matsumiya. Living Toyotism-Cultural Studies from Nagoya. Serika Shobo.

⁷⁶ 亀山、漫画で分かる トヨタの片づけ方 Kameyama Satoshi. Understanding Toyota's Way of Organizing "Original" OJT Solutions "Manga."

⁷⁷ Masaaki, "Kaizen: The Key to Japan's Competitive Success."

⁷⁸ Ohno et al., "Introducing Kaizen in Africa. In GRIPS Development Forum (Vol. 1, No. 1, Pp. 1-8)."

⁷⁹ Desta, "The Transferability of the Japanese Kaizen Management Techniques: Lessons for Ethiopia."

⁸⁰ 山田 and 大野, 途上国の産業人材育成: SDGs時代の知識と技能. Yamada Shoko, and Ohno Izumi. Industrial Human Resource Development in Developing Countries: Knowledge and Skills in the SDGs Era. Vol. 1. 1. Nihon Hyoronsha Co., Ltd.

⁸¹ لإصلاح التعليم الثانوي العام المصري (kaizen) البلشي, "متطابات تطبيق مدخل التحسين المستمر Elbalshi Mohamed Abdel Salam Mohamed Mahmoud, Requirements for the application of continuous improvement approach (kaizen) to reform the Egyptian secondary Education, Damietta University, Egypt."

أحمد, "متطلبات نجاح استراتيجية كايزن اليابانية للتحسين المستمر في المؤسسات الحكومية بالتطبيق على قطاع الاتصالات 2 . م. ع Ahmed Abdel Nasser, Requirements for the success of Kaizen Japanese strategy for continuous improvement in government institutions Applying to the telecommunications sector in Egypt, Scientific Journal for Economic and Trade, Cairo, Egypt."

⁸³ Abdellatif, "トヨタウェイとは何か-カイゼンを生きること- What is Toyota Way? Living Kaizen in Every day's life."

⁸⁴ Hall and Hall, Understanding Cultural Differences: Germans, French and Americans.

3.3.1 Lessons from Ethiopia- Lost chances in Egypt

Egypt incorporated Kaizen into its industrial policy before Ethiopia in 2006, when the Egyptian government established Kaizen Center. Egyptian staff trained African countries' trainees in Kaizen, 5S, and other Japanese know-how techniques, which are discussed in more detail in chapters four and five.

Although Egypt was ahead of most African countries in adopting Kaizen, it was not integrated into Egyptian society or the education system as it was in Ethiopia, for example. In the search for studies on Kaizen in Africa, the Ethiopian case was a notable example and has been well covered in various research and sources to analyze and learn from.

After the Ethiopian government fully adopted Kaizen and integrated it into its education and value system, Ethiopia has become an attractive destination for international investments as the model has been successful. The Ethiopian government established Ethiopia Kaizen Institute (EKI) in 2011⁸⁵. The EKI guided small and medium enterprises (SMEs), prepared technical and vocational education and training (TVET) instructors, and TVET schools provided guidance to small and micro-enterprise companies.

^{85 &}quot;The KAIZEN movement has gained unprecedented acceptance and momentum in Ethiopia above any other country in Africa. With the full commitment of the Ethiopian Government Kaizen methodologies are being implemented across the country in multiple sectors, including manufacturing and TVET schools. Ethiopia is seeking to transform itself into a middle-income country by 2025 mainly by transforming the industrial sector; the nation is pushing towards increasing its industrial competitiveness through quality, productivity and competitiveness (QPC) improvement. The Ethiopian Kaizen Institute (EKI), established in 2011 with the strong initiative of the late Prime Minister Meles Zenawi, held its fifth award ceremony at the Ghion Hotel in Addis Ababa on October 07, 2017. Invited guests included Minister Tagesse Chafo, Ministry of Public Service and Human Resource Development (MoPSHRD), Ambassador Shinichi Saide, Embassy of Japan and Mr. Ryuichi Kato, Director General of Africa Division, JICA Headquarters among representatives of companies and agencies that are currently implementing KAIZEN activities in their workplaces." Source: JICA website

As a result, the system for disseminating basic Kaizen was strengthened, and Kaizen education in local kindergartens and elementary schools was also established ⁸⁶. These integrated efforts and grand design of implanting or conveying a concept into society and people's value system made Kaizen a part of Ethiopian citizens' culture and way of thinking and acting, not only practiced during working hours.

On the other hand, a similar grand design that integrates all local and international resources toward one goal is missing in Egypt. Hence, it is essential for Egypt to study the Ethiopian case and learn from Ethiopia how to integrate a concept in people's value system and into the government's long-term plans.

Since Egypt was also one of JICA's interests and started its Kaizen activities and project in 2006. Yet after five years and in 2011, the 25th of January revolution occurred. The political and economic situation changed and was not stable for a few years, as a senior Egyptian participant stated in 2017.

"When the Center started, there were only four members with Japanese experts in 2006. after that, in 2007, they began to work on the capacity building and hired us, and we started to get this training from the seniors (the first four members) ... Another four joined after a while, and the total was eight Egyptians and one Japanese expert. However, since 2007, people have come and gone, but those eight members are stable... Currently, we are trying to increase the capacity... After we made good results, the work level and the Center's work went down since 2011 and the revolution... I was on maternity leave, and since I came back and found the situation like this, I'm disappointed but am encouraging myself that soon it will get better, and we are working on it."

Due to political instability, it was difficult to send JICA experts to the Egyptian Kaizen Center, so the training was put on hold. In addition, many Egyptian Kaizen Center staff took unpaid

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⁸⁶ 山田 and 大野, 途上国の産業人材育成: SDGs 時代の知識と技能. Yamada Shoko, and Ohno Izumi. Industrial Human Resource Development in Developing Countries: Knowledge and Skills in the SDGs Era. Vol. 1. 1. Nihon Hyoronsha Co., Ltd.

leave to supplement their income or resigned for the same reason. The center's capacity was weak to operate in all areas.

These factors, the lack of an overall approach that aligns all efforts and initiatives toward a single goal, political instability, the economic situation, and weak capacity have resulted in Egypt no longer playing a leading role but remaining in the initial stages and unable to make progress. In Ethiopia, on the other hand, the government fully supported and facilitated the introduction of Kaizen, and conditions were more conducive to investment. The unstable Egyptian conditions and the friendly and stable environment in Ethiopia contributed to leaving behind Egypt, which pioneered the application of Kaizen on the African continent.

Ethiopia started after Egypt and achieved this leading position, although it had to struggle with some challenges.

Chapter 4. Kaizen and Global Business Communication – A more profound review of Edward T. Hall's model of High Context and Low Context Cultures

4.1 Cross-cultural Competence in International Business

A business is not just numbers, actions, money, and systems. It is led and managed by people. In international business, people with different cultural backgrounds, languages, ways of thinking, and working styles meet and work together. Shimada Go emphasized the importance of adaptation and customization to each new host culture based on their unique conditions and historical, traditional, and cultural background to facilitate a successful process ⁸⁷.

However, due to poor communication and knowledge of the host countries' cultures, many international businesses fail. Which was the start of studies about cross-cultural competence, to know why expatriates fail overseas, how to fix this, predict, and start training overseas expatriates to achieve cross-cultural competence⁸⁸.

In this chapter, as shown in Figure 9 for the flow of the chapter, the author will discuss intercultural competence in international business and its definitions and implications for global business. This is followed by a detailed overview of Edward T. Hall's model of high and low context cultures, their definitions, and an explanation of how they affect international business communication. Finally, some examples of cross-cultural business communication situations are

⁸⁷ 島田, "【JICA研究所×国際開発学会】「国際開発におけるカイゼン研究の到達点と今後の課題 — 学際的アプローチからの政策的インプリケーションの検討」, [JICA Research Institute x International Development Society] 'Achievements and future issues of Kaizen research in international development — Examination of policy implications from an interdisciplinary approach'."

⁸⁸ Ruben, "The Study of Cross-Cultural Competence."

given from the field research interviews conducted in Egypt and Japan. To illustrate the challenges and highlight the importance and impact of adapting and adjusting business concepts and practices.

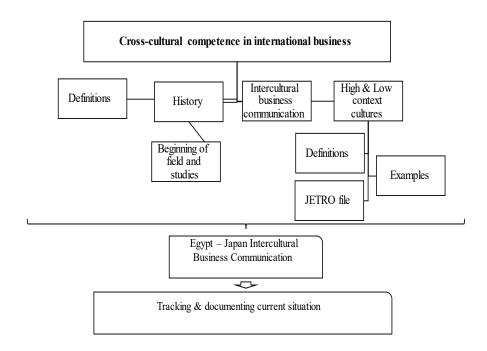


Figure 9. Kaizen and Global Business Communication- Flow Chart

Source: Author

Scholars have been investigating and trying to put definitions and the needed aspects to achieve cross-culture competence. One of the efficient and straightforward definitions is Gertsen's definition, "Cross-cultural Competence (CC) means the ability to interact effectively with people of different cultures ⁸⁹."

Cross-cultural competence is functionally used in many research principles, international business, intercultural communication, and workplace diversity. However, Johnson, Lenartowicz, and Apud argue that there isn't a clear definition for cross-cultural competence in international business, which can be one of the main reasons some companies fail after they extend into the

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⁸⁹ Gertsen, "Intercultural Competence and Expatriates."

global market ⁹⁰. Aside from expatriates' failures, Pfeffer and Sutton mentioned that ignorance of headquarters of the importance of host countries' cultures, poor local partners' choices, poor communication, and lack of cross-culture competence indicates the gap between "knowing and doing ⁹¹." Accordingly, business investments⁹² and business relations will be affected.

According to Johnson, Lenartowicz, and Apud⁹³, definitions mainly cover three main elements, attitude, skills, and knowledge. Achieving cross-cultural competence was not enough as those definitions did not pay attention to the surrounding environment in affiliation overseas. According to Johnson, Lenartowicz, and Apud, the beginning of studying CC was when the US federal government triggered to handle regulations about the minority in the health and education sectors. From this start, it was covered in different fields, which they summarized in Table 2 ⁹⁴.

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⁹⁰ Johnson, Lenartowicz, and Apud, "Cross-Cultural Competence in International Business: Toward a Definition and a Model."

⁹¹ Pfeffer and Sutton, "Knowing 'What' to Do Is Not Enough: Turning Knowledge into Action."

⁹² Losses in a range \$250,000 to \$1 million (Hill, 2001)

⁹³ Johnson, Lenartowicz, and Apud, "Cross-Cultural Competence in International Business: Toward a Definition and a Model."

⁹⁴ Johnson, Lenartowicz, and Apud.

 Table 2. Cross-cultural Competence definitions' table

Field	Authors	Concept	Definition	Content
International business	Leiba-O'Sullivan (1999)	Cross-cultural competency	Knowledge, skills, abilities, and other attributes	Categories competencies as stable or dynamic
International business	Adler and Bartholomew (1992)	"Global" or "Transnational" competence	Specific knowledge, skills, and abilities	
International business	Gertsen (1990)	Cross-culture competence	The ability to function effectively in another culture	An effective dimension (personality traits and attitudes), a cognitive dimension (how individuals acquire and categorize cultural knowledge), and a communicative, behavioral dimension.
International business	Black and Mendenhall (1990)	Effective cross-cultural interactions	Cross-cultural skills development and performance	Three-way taxonomy of skills development: self, relational perception
International business	Hofstede (2001)	Intercultural communication competence	None	Awareness, knowledge, skills, and personality
Workplace diversity	Cross et al. (1989)	Cultural competence	"a set of congruent behaviors, attitudes, and policies that come together in a system, agency, or among professionals, and enables that system	Personal attributes, knowledge, and skills

			agency, or those professionals to work effectively in cross- cultural situations	
Intercultural	Collier (1989);		Intercultural	to be appropriate and
communication	Imahori and Lanigan		communications	effective in the
	(1989); Kealey,		competence	communication process
	(1989); Wiseman et al.			that takes place between
	(1989); Redmond and			individuals from different
	Bunyi (1993); Miller			national cultures
	(1994); Lustig and			
	Koester (1999)			
Psychology	LaFromboise et al. (1993)	Cultural competence	None	Personality, knowledge, ability, skills, behaviors

Source: Johnson, Lenartowicz, and Apud

As mentioned above and according to Johnson ⁹⁵, to achieve CC, the knowledge, skills, and personal attitude are essential when defining cross-cultural competence in international business. They pointed out the importance of seeing the environment in the context overseas, highlighting the neglected parts in research and strengthening them. The list of required elements, as shown in Figure 10, can be used as an indicator for the selection of overseas managers and their ability to learn and practice CC overseas.

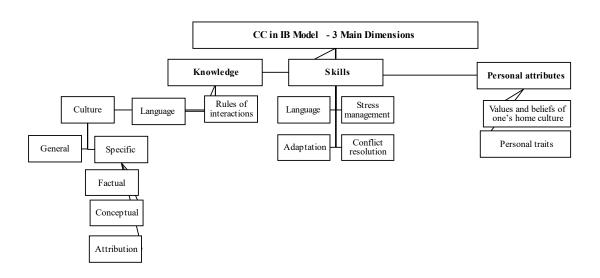


Figure 10. Cross-cultural Competence's Main Dimensions, according to Johnson⁹⁶

Source: Johnson, Lenartowicz, and Apud and summarized by the Author

Thus, considering the surrounding circumstances and a new definition, especially for crosscultural competence in international business, was suggested by Johnson, Lenartowicz, and Apud.

"Cross-cultural competence in international business is an individual's effectiveness in drawing upon a set of knowledge, skills, and personal attributes in order to work successfully with people from different national cultural backgrounds at home or abroad ⁹⁷."

⁹⁵ Johnson, Lenartowicz, and Apud.

⁹⁶ Ibid.

⁹⁷ Ibid.

For example, although the overtime hours have been changing in Japan in the last few years, doing overtime is still common, and some Japanese think it is rude to leave early or before your manager.

From a different perspective, you may think that you fail if you complete your exam after the official time. This scenario questions the concept of overtime as a scale of loyalty and hard work. It is considered a failure if you finished your exam perfectly, but after the fixed time.

In another perspective, as a senior Egyptian participant mentioned, is that they don't respect personal life.

"Our official working hours are from 8:30 to 4:30 pm. Although we usually start at 6:30 - 7:00, the four of us in the department gather and agree on who will start and tell the Japanese senior that I'm leaving. Because the first thing he says is, why? Although we stayed two hours overtime, why do we want to leave work? Of course, the work will never end, but we finished the daily tasks, and I have a personal life."

Knowledge of the circumstances of the host country should not be knowledge for control. It is difficult to control, or perhaps it should not be controlled. Nevertheless, you should know how to orient yourself and decide where to go. Various aspects should be considered, such as the realities of the local culture, the political, economic, technological, and social structures, the local personnel, and the local culture. What may be acceptable in Japan may be taboo in other countries. The same content may differ depending on the recipient's interpretation and understanding, which are influenced by many aspects such as culture, education, tradition, or word choice. The following section explains the difference between high and low-context cultures based on Edward T. Hall's model and how it affects communication.

4.2 High and Low Context Cultures

In JETRO's report published in 1999, "How to communicate with Japanese in business ⁹⁸," the report mentioned that Japan is a High Context Culture (HCC) according to Edward T. Hall's model. The HCCs do not require direct verbal communication and rely on context to understand the information hidden between the lines. Low Context Cultures (LCC), on the other hand, require more verbal details and explicit ways ⁹⁹.

"A high-context (HC) communication or message is one in which most of the information is already in the person, while every little is in the coded, explicit, transmitted part of the message. A low context (LC) communication is just the opposite, i.e., the mass of information is vested in the explicit code."

In HCC, if you listen to what a person is saying without paying attention to the environment or the language that is not being spoken, you are likely to miss some information. This can happen with people from the same cultural background, but different languages and cultures can widen the communication gap.

Hall also classified cultures with a strong social network among personal and professional circles as HCC. They share the same information, background, and probably the same common sense, which explains why they don't need everything to be said. The opposite in low context cultures, where the social network and personal relations are not that deep, so they need to confirm information clearly during direct and clear communication ¹⁰⁰.

"Japanese, Arabs, and Mediterranean peoples, who have ex- tensive information networks among family, friends, colleagues, and clients and who are involved in close personal

⁹⁸ https://www.jetro.go.jp/costarica/mercadeo/communicationwith.pdf

⁹⁹ Hall, Beyond Culture.

¹⁰⁰ Hall and Hall, Understanding Cultural Differences: Germans, French and Americans.

relationships, are high context. As a result, for most normal transactions in daily life, they do not require, nor do they expect much in-depth background information. This is because they keep KEY CONCEPTS themselves informed about everything having to do with the people who are important in their lives. Low-context people include Americans, Germans, Swiss, Scandinavians, and other northern Europeans; they compartmentalize their personal relationships, their work, and many aspects of day-to-day life. Consequently, each time they interact with others, they need detailed background information. p6.7"

Based on Hall's high context and low context cultures, frictions can cause big miscommunication and negatively impact communication. The meaning of the non-verbal ¹⁰¹ language hidden in the body language and tone of voice differs from one culture to another, and it might not be readable to other cultures.

"High-context people apt to become impatient and irritated when low-context people insist on giving them the information they don't need. Conversely, low-context people are at a loss when high-context people do not provide enough information ¹⁰². p9."

4.3 Edward T. Hall: Hidden Differences- Doing Business with the Japanese – Book review

Edward T. Hall and Mildred Hall's book "Hidden differences. Doing Business with Japanese" 103 gives a set of advice or guidelines for Americans who are willing to do business in Japan. Thus, the book focuses on getting closer to focus on understanding Japanese mentality and culture with a set of does and don'ts with an explanation behind each piece of advice. The book covered historical, social, and cultural backgrounds of why Japanese act or react and how they interpret specific physical, verbal, or nonverbal actions.

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¹⁰¹ According to Mehrabian Non-verbal Communication Model 1970, 7% is verbal communication, and the remaining 93% is non-verbal that include 55% body language and 38% tone of voice.

¹⁰² Hall and Hall, Understanding Cultural Differences: Germans, French and Americans.

¹⁰³ Hall and Hall, *Hidden Differences*.

Hall focused on the nonverbal communication, citing several aspects that influence nonverbal communication. These include history, culture, government policy, psychology, society, time, space, sound rhythm, rank, family, educational system, work ethic, information flow, vocabulary, corporate culture, and hierarchy. He clarified how those aspects affected the Japanese mind and culture, emphasizing collective actions, consensus, dependency, and a sense of belonging. Thus, in such societies, the flow of information is facilitated and open through personal relations, small and big communities, and documents are available everywhere. There is no need to explain everything through explicit verbal communication.

On the other hand, American society is representative of societies with a low-context culture where there is no easy access to information. Americans tend to disclose more details and information and expect the same from their interlocutors, which can be troublesome for the Japanese. In addition, Americans mentioned that the Japanese are vague, avoid confrontation, give indirect answers, and take a long time to make decisions. At the same time, they have no idea of the Japanese culture and mentality, which emphasizes the importance of hierarchy and consensus. Table 3 shows the differences between high and low context cultures based on Hall's model.

Table 3. HCC and LCC's differences according to Hall's model.

HCC	LCC					
Explicit communication	Implicit communication					
Easy information flow	Hard access to information					
Strong connection. Long term	Shallow/ weak connection. short term					
Polychronic ¹⁰⁴ (P-Time)	Monochronic ¹⁰⁵ (M-Time)					
High density/ closeness accepted	It can be irritating in public					
Strict/ highly respected	Flexible/ Can be skipped					
Very strong	Flexible and open					
Process-oriented	Result-oriented					
Japanese, Arab, Mediterranean	Americans, Germans, Swiss, Scandinavians, and other northern Europeans					
	Explicit communication Easy information flow Strong connection. Long term Polychronic ¹⁰⁴ (P-Time) High density/ closeness accepted Strict/ highly respected Very strong Process-oriented					

Source: Edward T. Hall, Summarized by the author

Interestingly, these miscommunications can happen among people from high-context cultures. They both tend to put more meaning into the spoken words, think about the terms, and make their interpretation. That is clear in the Egyptian expression "يفهمها وهي طايرة" Yifhamha we heya tairaa, ¹⁰⁶" and the Japanese phrase "空気を読む=kuuki wo yomu¹⁰⁷." Both terms mean to read between the lines and understand the explicitly of unsaid words. In the fieldwork investigations, 88% of Egyptians and Japanese participants mentioned facing communicationrelated challenges during work.

¹⁰⁴ "P-Time: being involved in many things at once" & Hall, 1990b)

¹⁰⁵ "M-Time: Paying attention and doing only one thing at time "Hall and Hall, *Hidden Differences*.

^{106 &}quot;Understand it while it flies=This expression is said to smart or sharp-witted individual. The explicit ideas or the unsaid words are seen as a flying object and the smart person catches it before it lands where anybody can catch it then", Source: Dive into Arabic.

¹⁰⁷ "Read the air= Take a hint", Source: Weblio.

Their interpretation could have different meanings depending on the cultural background. An anonymous Egyptian participant who has over 20 years of experience working with Japanese and other nationalities from different cultures (HCC and LCC) always advises to be very careful not to make a wrong first impression because it is hard to change it. He lost a big business due to a "misinterpretation" of his Japanese counterpart. When he said, "I will arrange your ride to the airport," the Japanese man found his driver, not him, on the day of departure. The Japanese later accused him of not keeping his promise. When the Egyptian participant said, "I will arrange your ride," he meant that he would provide the car and the driver with all the information, but he did not say that he would give him a ride personally. The participant elaborated like following:

"I once lost a big business with Japanese because I told the Japanese businessman I would send you to the airport. I sent him someone to pick him up and take him to the airport. Later he told me, "You told me you would come. If you did not keep your promise to me, how come you will be committed to our business later". I told him it was a misunderstanding. When I said I would get you to the airport, I meant arranging your ride. You understood it as I will be physically the one who picks you up. It was a miscommunication between us."

The friction between the HCC and the LCC can be quite difficult and complex until the parties involved learn and understand each other's background and culture. This process occurs between different cultures, but at least the low-context culture side clarifies things and asks direct questions. In high-context cultures, on the other hand, the parties interpret verbal and nonverbal actions based on their respective backgrounds, which can lead to even greater misunderstandings.

In the previous situation with the Egyptian participant and the Japanese person, both from high-context cultures, it was assumed that the other person understood the message. Things were not clarified until the conflict arose, but by then, it was too late. Apart from the difference in interpretation, both Egyptians and Japanese use English in communication, which is not the native

language of either the Japanese or the Egyptians. The spoken English, accent, and tone could lead to more miscommunication and misunderstanding.

In most of the research, Hall's model was used to compare HCC and LCC. In this study, the author attempts to discover the challenges of cross-cultural business communication between two high-context cultures, Egyptian and Japanese. By interviewing representatives of the leading agencies, ministries, and organizations that play the main role in Egyptian-Japanese relations in Egypt, some general indicators of the common patterns in communication are developed.

4.4 Communication and workflow/ relations

4.4.1 Toyota Motor Engineering Egypt (TMEE)

This study addresses how the Toyota Way and Kaizen as Japanese concepts are introduced in new countries and the communication challenges they face, focusing on Egypt.

In particular, Kaizen Center and Toyota Motor Engineering Egypt (TMEE) are pioneers in introducing Kaizen and the Toyota Way in Egypt. Hence, we start with TMEE because it is the only private sector in Egypt represented in this paper. The company does not have its own factory in Egypt, but has "outsourced" the factory line from Arab American Vehicle (AAV). Japanese management, Japanese system, on Egyptian soil, together with Egyptian Toyota employees and AAV employees, in a state-owned factory in partnership with Americans.

At least four work styles merged (private and public work styles and Egyptian, Japanese, and American mentality). It is a multicultural workplace with unique combinations of positive and negative stories.

TMEE employees indicated that the Japanese work style improved their personalities and their performance. Time management, orderliness in files, attention to detail, and good documentation impacted work performance and personal characteristics of employees. However, some challenges arose due to misunderstandings and a lack of understanding of each other's traditions and cultural backgrounds. What was unique about TMEE, however, was that the employees did not have a strong sense of belonging compared to their counterparts at Toyota Japan. The reason was that they were not trained as well as their counterparts in Japan; as one Egyptian participant said, "They do not invest in us." Or because their opinions and suggestions

are only discussed or approved if a Japanese employee supports them, even if the Japanese employee is not an expert on local market conditions. This gap can be seen as one of the reasons why Toyota Japan employees have a stronger sense of belonging and loyalty. When overseas foreign and local employees feel less valued and trusted, it can have a negative impact on their performance, work environment, and team communication. Interestingly, the younger Japanese generation at Toyota Japan had some commonalities in their insights, as their seniors do not listen to them or readily accept change. One Japanese participant, in her mid-twenties, commented as follows:

"I never felt such difficulty when I communicate with foreigners. I think that because I lived in the US and dealt with different kinds of people in middle school.

* what about senior Japanese staff? I think they are more pessimistic and don't want to introduce new things to the work right now.

* isn't that against Kaizen? People at higher levels don't want changes, but it also depends on their character. The top managerial level approves Kaizen, but some people in leading positions still think it is troublesome."

That shows how the generation gap can affect communication inside the workplace, even among the Japanese themselves.

4.4.2 Kaizen Center and JICA

Although JICA office and Kaizen Center are located in Egypt and have worked together in many phases, their understanding and ways of practicing Toyota Way and Kaizen were not the same.

The Japanese official from JICA believed that the historical and geographical background of the Egyptians and Japanese influenced their culture, mindset, and performance. According to him, such a core difference between the two nations is evident in some characteristics. For example, the Japanese are procedural and very systematic, while the Egyptians are results-oriented and more flexible. Japanese tend to provide less explanation, while Egyptians tend to add a lot of details, which sometimes affects communication and workflow. This point will be discussed in more detail in the following sections.

Although Hall classifies Egypt as a high-context culture, the earlier commentary on the characteristics of Egyptians corresponds to the characteristics of a low-context culture. Edward T. Hall's concept of high-context cultures (HCC) states that they do not require direct verbal communication and rely on understanding what is between the lines through context. While low context cultures (LCC) require more verbal details and information ¹⁰⁸.

"A high-context (HC) communication or message is one in which most of the information is either in the physical context or internalized in the person, while very little is in the coded, explicit, transmitted part of the message. A low context (LC) communication is just the opposite, i.e., the mass of information is vested in the explicit code. Pg.91"

¹⁰⁸ Hall, Beyond Culture.

In HCC, you are likely to miss important information if you only listen to what is being said without paying attention to the surroundings and the unspoken language (body language, tone of voice, pauses), which puts more responsibility on the receiver than the speaker. Of course, this can happen among the same people with the same cultural background. Nevertheless, the gap widens when other elements such as different languages, meanings, beliefs, and cultures are incorporated into the communication.

Conversely, Hall argued that miscommunication occurs between people from high context cultures and those from low context cultures. Since Hall classifies Japanese and Arab cultures as high context cultures, he assumes that communication between these cultures is more accessible. Nevertheless, communication between Egyptians and Japanese is not without problems. For example, 88% of Egyptians and Japanese said they have trouble communicating at work.

Another senior JICA staff member in Egypt mentioned resistance to projects due to cultural and mental differences. However, when management understands the project process and shows real commitment with solid leadership skills, good results are achieved, as in the case of the Tanta Public Hospital.

At Tanta Public Hospital, the 5S and Kaizen projects were applied, with Kaizen becoming the culture of the entire workplace and hospital staff. In the Egyptian branch of JICA, opinions were different. However, they followed the same approach in implementing Kaizen and the Toyota Way as a tool to improve or develop the quality of work or service (as a business model); in some projects, it becomes a culture. Although Kaizen's approach is a "Bottom-up approach" that gives

the worker more ownership and responsibility ¹⁰⁹, the "Top-down approach" might be more effective in developing countries as it is challenging to find a system that provides all necessary information and data circulated. Thus, managerial and government leaders must take measures ¹¹⁰.

At the Kaizen Center of the Egyptian Ministry of Trade and Industry (MTI), on the other hand, the way Kaizen is understood and practiced has evolved impressively. Kaizen Center was established in 2006 based on a collaboration between JICA and the Egyptian Ministry of Trade and Industry.

Gradually, the center developed into an impressive center for the dissemination of Kaizen culture in various industrial and management areas of the government and private sectors. Kaizen Center staff not only apply Kaizen and other Toyota systems as a policy or tool for industrial development but also train employees and work to integrate the concept into their mindset and value system. Two points are unique about the Kaizen Center: first, it has become a center that teaches Kaizen as a concept that fits into workers' value systems. This will change their mindset, which they believe will have a positive impact on their performance. The Kaizen Center staff adopted the concept as "a continuous accumulative development." They promoted and spread it as a way of thinking and a philosophy of life, not just as procedures of command and action.

¹⁰⁹ 島田, "特集:国際開発におけるカイゼン研究の到達点と 今後の課題 —学際的アプローチからの政策的インプリケーションの検討—. Shimada Go. 'Special Feature: Achievements and Future Challenges of Kaizen Research in International Development-Examination of Policy Implications from an Interdisciplinary Approach-.' International Development Research 27 2 (2018): 1–11."

¹¹⁰ 山田 and 大野, 途上国の産業人材育成: SDGs時代の知識と技能. Yamada Shoko, and Ohno Izumi. Industrial Human Resource Development in Developing Countries: Knowledge and Skills in the SDGs Era. Vol. 1. 1. Nihon Hyoronsha Co., Ltd.

Second, as Egyptians, they were able to adapt the concept in a way that suited the Egyptian mindset and needs. They "Egyptianized" it and applied it to the government and private sectors.

The Kaizen Center became a hub for the development of many sectors. As part of their consulting services to the public and private sectors, they offer their services in designing training courses, conducting assessments, and evaluating the performance of factories and universities. On the other hand, JICA has strict rules to work mainly with government sectors and not directly with the private sector.

At the same time, Kaizen Center is part of the Egyptian MTI, which gives them easier access to more data and less resistance from Egyptian partners. This gives them more flexibility in changing or adapting their materials for each sector.

4.4.3 Importance of adaptation and Customization

The adaptation of Kaizen and Japanese systems and concepts by the Egyptian Kaizen Center has facilitated the dissemination of Japanese know-how and made it more acceptable to Egyptians. The Kaizen Center is considered a realistic example of how the Kaizen concept is globalized and evolves during the transition. They "Egyptianized" the Japanese concepts and transformed them into their own version of Kaizen that is more acceptable and compatible with Egyptian conditions, traditions, and ways of thinking ¹¹¹.

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¹¹¹ Abdellatif, "トヨタウェイとは何か-カイゼンを生きること- What is Toyota Way? Living Kaizen in Every day's life."

Those aspects must be considered when taking business or concepts into new environments. Otherwise, resistance and opposition might interfere with the business flow and cause failure. That is common in similar cases, where there is a lack of cross-cultural competence and when team members or counterparts cannot effectively interact in another culture 113.

In some cases, the headquarters' attempts to enforce their ways on local staff and overseas managers while ignoring local culture's circumstances, political, economic, technological, social structure, and events may result in a high possibility of losses and failure, as the case of TMEE.

To achieve cross-cultural competence, well knowledge, comprehensive understanding, and good communication are necessary to be acknowledged in international business. The lack of cross-cultural competence affects the communication and mutual understanding between overseas managers and local partners involving trade and investments. It also "causes loss in opportunities, reduced productivity, damaged relations¹¹⁴."

According to Johnson, Lenartowicz, and Apud ¹¹⁵, three factors are essential to achieve cross-cultural competence in international business. Attitude, skills, and finally, knowledge. All three are primary factors to achieve cross-cultural competence obtained through Cross-cultural training ¹¹⁶.

¹¹⁵ Johnson, Lenartowicz, and Apud, "Cross-Cultural Competence in International Business: Toward a Definition and a Model."

¹¹² Johnson, Lenartowicz, and Apud, "Cross-Cultural Competence in International Business: Toward a Definition and a Model."

¹¹³ Gertsen defined Cross-cultural competence (CC): refers to an ability to interact effectively with people of different cultures.

¹¹⁴ Storti, "The Art of Crossing Borders."

¹¹⁶ Cross-cultural Training: "Training enables the individual to learn both the workplace diversity literature in content and skills that will facilitate effective cross-cultural interaction by reducing misunderstandings and inappropriate behaviors". According to Johnson, Lenartowicz, and Apud., personal characteristics can affect the level of final output and performance. Mentioning those personal characteristics that can have the best results when teaching and training

That reflects in other Kaizen-related research that emphasizes including local circumstances and culture when working on international cooperation projects. Which grantee effective results and sustainable development.

In Ethiopia's case, according to Shin Komei ¹¹⁷, when JICA introduced Kaizen, and the Ethiopian side entirely adopted it, the collaboration did not end in developing industrial policy only. Ethiopia applied Kaizen to the health sector, vocational training, preschools, school education system, and graduate schools. They embedded Kaizen into people's mindsets. Its effect was not limited to work performance and economic indicators but further into people's lives and social communities ¹¹⁸.

That is why customization, adaptation, and attention to surrounding circumstances are essential to business flow and transaction success.

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individuals are believed to be Strong personality, Knowledge of values and beliefs of the new culture, Aware of the importance of the effective process of culture, good command of the language, good relations within the cultural group, awareness of the institutional structure of the culture, awareness of the social code for misbehavior

¹¹⁷ 第7章 カイゼン活動がもたらす価値観の変容-日本の生産性向上モデルがエチオピアの伝統的社会に及ぼす含意。(神 公明) Chapter 7 Transformation of Values Brought about by Kaizen Activities-The Implications of Japan's Productivity Improvement Model on Traditional Ethiopian Society.

¹¹⁸ 山田 and 大野, 途上国の産業人材育成: SDGs時代の知識と技能. Yamada Shoko, and Ohno Izumi. Industrial Human Resource Development in Developing Countries: Knowledge and Skills in the SDGs Era. Vol. 1. 1. Nihon Hyoronsha Co., Ltd.

4.5 Chapter Summary

A business is not only made up of systems and money but of people who run and manage it. In international business, people with different cultural backgrounds, languages, ways of thinking, and working styles meet and work together.

Shimada Go stressed the importance of adapting concepts to the conditions and circumstances of each host country to ensure a successful process ¹¹⁹.

However, many international businesses fail due to poor communication and a lack of knowledge of the host culture. This was the beginning of the cross-cultural competency studies to find out why expatriates fail abroad and how to fix it, predict it and start training abroad to improve expatriates' cross-cultural competence¹²⁰.

One of the most known models to explain cultural differences is Edward T. Hall's High Context and Low Context Cultures model. Hall's book "Hidden Differences" ¹²¹ gives advice or guidelines on doing business with Japanese while clarifying the main differences between HCC and LCC.

Conversely, Hall argued that misunderstandings between high- and low-context cultures occur because of some key differences in communication. And since Hall classifies Japanese and Arab cultures as high-context cultures, it is reasonable to assume that their communication might

¹¹⁹ 島田, "特集:国際開発におけるカイゼン研究の到達点と 今後の課題 —学際的アプローチからの政策的インプリケーションの検討—. Shimada Go. 'Special Feature: Achievements and Future Challenges of Kaizen Research in International Development-Examination of Policy Implications from an Interdisciplinary Approach-.' International Development Research 27 2 (2018): 1–11."

¹²⁰ Ruben, "The Study of Cross-Cultural Competence."

¹²¹ Hall and Hall, *Hidden Differences*.

be more accessible. Still, communication between Egyptians and Japanese is not without its challenges. 88% of Egyptian and Japanese participants reported having communication problems at work. 70% of Egyptian participants (HCC) perceived the Japanese as vague, 55% interpreted Japanese actions negatively, and most comments about communicating with the Japanese were similar to those of Americans (LCC). In some cases, Egyptians quit or consider leaving their jobs for reasons related to the work environment.

Many studies and researchers such as Hall, Johnson, Shimada Go, Shin Komei, and others emphasize the importance of studying local cultures, conditions, and circumstances when conducting international business or collaborative projects in order to achieve cross-cultural competence in international business and collaboration. They showed case studies, worked on developing definition models, and searched how to fill these gaps. Some succeeded in extending into the global market. Still, many failed, and the reasons were expatriate failures¹²², headquarters' inability to understand the importance of the cultural element in doing business overseas, the lack of cross-cultural competence, and how it affects the communication and mutual understanding between overseas managers and local partners.

Ignoring these elements has had a negative impact on business and has led to losses in investments, sources, and relationships. Knowing the background of your interlocutor and team members makes it easier to communicate and navigate your steps as you proceed with your investments and work.

¹²² American expatriates' failure rate was between 40 to 55% failure (Black et al., 1999)

Especially when it is a technical collaboration between two countries, it is different from the private sector's main interest, profit. Government-level investments are more sensitive, and every action and decision affects current and future international relations between two nations. It is important to consider how to introduce and spread business concepts in a new country. As the cases of Ethiopia and Egypt show, it is inefficient to impose a certain understanding or introduce a certain practice.

It does not get any easier if we assume that we are originally different and, therefore, there is no benefit in trying to understand each other. The opposite is true. Because we are different, more effort is needed to understand and deal with those differences to save time, investment, and relationships. Each country and each case are unique, and generalizing the rules blurs that uniqueness.

Chapter 5. Kaizen and Toyota Way in Egypt

The Kaizen Center was established in February 2006, when the Egyptian Ministry of Trade and Industry (MTI) started a technological development collaboration with Japan International Cooperation Agency (JICA) ¹²³.

The Kaizen Center¹²⁴ began its activities as one of the Ministry's Technological Centers. According to the collaboration agreement between MTI and JICA to share the Japanese knowhow, JICA experts worked in Kaizen Center as long and short-term experts. One of the first experts was an Ex-Toyota senior engineer, and some training courses were conducted in Toyota Japan. In addition to Kaizen Center, JICA's Egypt office has Kaizen and 5S projects collaborating with the Ministry of Health.

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¹²³ "Kaizen Center Support Project (KAIZEN) | Egypt | Countries & Regions | JICA."

[&]quot;Kaizen Center Support Project: Background and Objective: With an aim at improving the level of technology in its industrial sector, Egypt's Ministry of Trade and Industry established the Kaizen Center in April 2006 as an institution to assist with the control and improvement of productivity and quality. The word "Kaizen" is from Japanese, meaning "continuous improvement." Since the Kaizen Center was founded, JICA has been providing support in the following areas: *Country-focused Training: Cooperation Period: FY2005. JICA Support: acceptance of technical training participants (four persons, twice). *Short-term Senior Volunteer Program: productivity improvement Cooperation Periods: February to August 2006, November 2006 to August 2007. JICA Support: Guidance by senior volunteer Nishida. This JICA support has allowed the Kaizen Center to hold many seminars and provide consulting

volunteer Nishida. This JICA support has allowed the Kaizen Center to hold many seminars and provide consulting services to companies in Egypt. JICA began implementation of the Kaizen Center Support Project at the request of the Egyptian government to further promote these activities."

¹²⁴ Also known as Productivity and Quality Improvement Center (PQIC)

Kaizen and Toyota Way are represented in Egypt mainly in the shown places are presented in Table 4.

Table 4. Kaizen and Toyota Way in Egypt

Kaizen and Toyota Way in Egypt

No.	Content	JICA Egypt Office	Kaizen Center	(TMEE)
1	Affiliated	Japan Gov.	Egyptian Ministry of Trade and	Toyota Japan
			Industry - Technological Centers	(Private sector)
			(Gov. Sector)	
2	History	Oct. 1st, 2003	Established in collaboration	-In March 2011 project started
			between the Egyptian and	-On May 31, the same year,
			Japanese Govs. (February 2006)	TMEE was established
				-On August 1st, Japanese Experts
				start to stay
4	Capacity	1,929 (as of January	Eight as official capacity and just	19 as the time of interviews
		2020)	two people at the time of the	
			interviews	
5	Counterparts	JICA HQ- Japan,	JICA Egypt and Japan, Egyptian	Toyota HQ & Toyota Tsusho
		Egyptian Ministries,	Ministries, Egyptian Factories	Japan, AAV factory Egypt, Local
		and authorities (Kaizen	and companies, Investors	suppliers, Egypt, Egyptian Gov.
		Center, M. of Health,	associations, Egyptian and	authorities
		and others)	foreign universities, African	
			countries	

Source: Author

As mentioned earlier, this study focuses on examining the flow of communication and challenges encountered in the dissemination of Kaizen in Egypt. The focus is on the Kaizen Center and the TMEE as pioneers in introducing Kaizen and the Toyota Way in Egypt. To discover the hidden challenges and cultural frictions in introducing Japanese know-how and systems in Egypt and between two high-context cultures. Therefore, the study aims to develop a protocol to document these communication patterns and challenges.

The study examines and analyzes the challenges that have arisen due to cultural and mindset differences from the perspective of cross-cultural business communication by observing and documenting the communication patterns in the current situation and circumstances that have not been addressed academically or professionally in business reports.

The author uses Edward T. Hall's cultural model (High Context and Low Context Cultures) to trace the aspects of intercultural competence, highlight the differences, and find communication patterns that characterize these differences. To draw a cultural map that helps the parties involved to close the communication gap and facilitate their business communication. The results can be used as a first draft to document the Egyptian business culture for further future research.

The research methodology is a combination of a literature review of Toyota-related data (self profile, Toyota culture). In addition to studies on Kaizen and Toyota Way applications outside Japan. Cross-cultural competence and challenges of cross-cultural corporate communication. High and low context cultural differences and how they affect cross-cultural business communication. Primary data was drawn from open-ended qualitative interviews, mainly targeting high-level Egyptian and Japanese officials involved with Kaizen and the Toyota Way in Egypt. The targeted

individuals are the Egyptian office of the Japan International Cooperation Agency (JICA), the Ministry of Trade and Industry (Kaizen Center and Egyptian Commercial Services (ECS)), the Ministry of International Cooperation (MOIC), Japan Embassy in Egypt, the Egyptian office of the Japan External Trade Organization (JETRO), Toyota Motor Engineering Egypt (TMEE), Egypt Japan University of Science and Technology (E-JUST), Toyota Japan, and Egypt Japan Business Council (EJBC).

The author conducted in-depth interviews with the executives and senior managers to document the untold stories based on their years of business experience and insights. It was difficult to obtain documents and data on Egyptian business culture. A high-level Egyptian official mentioned that Egypt has always been sensitive in sharing information with the public. This is due to Egypt's history, its geographic location, and the political circumstances on its borders.

Another senior Kaizen Center official pointed out that there is no integrated, holistic approach in Egyptian ministries and agencies. They operate in isolated islands, which makes it difficult to access data. Therefore, the author conducted semi-structured in-depth interviews with the Egyptian JICA office at the beginning and established contacts with Kaizen Center, JICA, and JETRO in the first phase. After establishing trust with the participants, the author used a snowballing process to set up appointments with high-level officials from government agencies or Toyota employees in Japan. Thirty three individuals, senior officials, and seniors participated, representing the major organizations associated with the Kaizen Center or Japanese business in Egypt. The interviews totaled 29.1 hours, as shown in the breakdown data of the interviews in table 5.

Table 5. Breakdown of Participants by Organization (29.1 hours)

Organization	Activity	Location	Nature of investigation	Total	Managerial	Senior	Entry	Male	Female	Egyptian	Japanese	Duration (Min)
TMEE	Manufacturing	Egypt	In Person	5	3	1	1	4	1	4	1	241
JICA	Official development assistant (Gov.)	Egypt	In person	5	2	1	2	2	3	2	3	195
<i>JETRO</i>	Promoting trade and investments (Gov.)	Egypt	In person/online	3	1	2	0	2	1	2	1	161
Kaizen	Training and	Г.,	T	4	2	2	0	2	1	2	1	202
Center (MTI)	consultation (Gov.)	Egypt	In person	4	2	2	0	3	1	3	1	383
Toyota JPN	Manufacturing	Nagoya, Tokyo, Japan	In Person	4	1	1	2	2	2	0	4	168
Toyota Mus.	Museum	Nagoya, Japan	In person	1	1	0	0	1	0	0	1	69
MOIC	Promote international cooperation (Gov.)	Egypt	In person	3	1	1	1	2	1	3	0	60

Organization	Activity	Location	Nature of investigation	Total	Managerial	Senior	Entry	Male	Female	Egyptian	Japanese	Duration (Min)
EJBC	Facilitating Egy-JPN relations	Egypt	Online	1	1	0	0	1	0	1	0	143
ECS (MTI. Egypt Embassies)	Promoting trade and investments (Gov.)	Egypt	Online	2	2	0	0	2	0	2	0	53
Japan Embassy (EGY)	Diplomatic representative (Gov.)	Egypt	Online/ in person	2	1	1	0	1	1	1	1	138
EJUST	Education institute (Gov.)	Egypt	Online	1	1	0	0	0	1	1	0	30
Ex. JICA	(/	Egypt & Japan	In person	2	1	1	0	2	0	1	1	105
Total				33	17	10	6	22	11	20	13	1746

Source: Author's fieldwork in Egypt and Japan 2017- 2022

Due to Covid-19 and travel restrictions, the author conducted some interviews online via Zoom meetings.

The author conducted in-depth, open-ended interviews. The interviews were semi-structured and began with six questions to elicit the untold, undocumented events and stories in the workplace and to understand the Egyptians' and Japanese insights and reactions to their colleagues and peers. The questions were related to self-introduction, work experience, responsibilities, advantages, and disadvantages of working with Egyptians or Japanese, what challenges they face in the workplace, what difficulties arise due to poor communication or cultural differences, and how they deal with them.

The author found that Egyptian participants were not comfortable mentioning negative stories with Japanese colleagues. Since the Japanese person is a senior employee in the workplace or a partner in a government project, mentioning problems and dissatisfaction could affect the ongoing collaboration. Therefore, the author mentioned a specific situation from previous studies or interviews to confirm whether or not the participants had faced it, and then they spoke more openly.

We wanted to find out how problems arise and what causes them in order to find the understanding gap and develop more precise patterns. The participants were selected based on their collaboration with Kaizen Center, TMEE, JICA, and Japanese companies in Egypt. The author basically tried to include the opinions of experienced managers. And, as much as possible, to cover different work levels (managers, seniors, novices), different age groups, and both genders.

In addition, the organization of meetings with high-level officials was limited to their availability and permission of their teams to participate, which will not provide generalized results, but only indicators. Mainly one-on-one meetings were held to provide more privacy for participants to express their experiences freely. However, in two interviews, the manager or supervisor decided to join the interview, either in the middle or from the beginning.

Because the author works for the government sector, it was helpful to schedule appointments with government officials, build trust, and gain access to data, especially in government agencies. Interviews were conducted mainly in person at participants' workplaces (offices, factories, and workshops online) or via zoom meetings in three languages, Egyptian Arabic, English, and Japanese. They were tape-recorded (29.1 hours total) and transcribed in English.

5.1 Different approaches for Kaizen and Toyota Way inside Egypt

Although Kaizen and the Toyota Way were introduced in Egypt primarily through JICA, the concepts are recontextualized and adapted to the style, needs, and culture of each workplace. In the following subsections, the author will present the different approaches in applying Kaizen in the projects of JICA, Kaizen Center, and the opinions of the main parties in Egyptian-Japanese relations.

5.1.1 Japan International Cooperation Agency (JICA), Egypt Office: Simple introduction

JICA¹²⁵ is a Japanese government agency that provides technical cooperation and other social and economic aid to developing countries. In Egypt, JICA's current projects are with either the MTI or MOH on technical cooperation projects, which gives them less freedom and more rules to follow. Ultimately, they can only introduce and make suggestions but not give orders or make fundamental changes. If the other side is not convinced, the project remains a proposal. According to a senior Japanese official, the differences between Egyptian and Japanese personalities can be traced to their historical and geographical backgrounds, which influence the way they think and act. For example, in his opinion, the Japanese are procedure-oriented and very systematic. At the same time, Egyptians are results-oriented and more flexible, which sometimes affects communication and workflow. The official mentioned:

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^{125 &}quot;JICA について - JICA." "Japan International Cooperation Agency (JICA) was established October 1, 2003, as an Incorporated Administrative Agency under the Act of the Incorporated Administrative Agency - Japan International Cooperation Agency (Act No. 136, 2002), JICA aims to contribute to the promotion of international cooperation as well as the sound development of Japanese and global economy by supporting the socioeconomic development, recovery or economic stability of developing regions."

"Geographically speaking, we are entirely different in the far east, on an isolated island, but Egypt is in the center of Africa, Europe, and Asia. And the history also is different. Egyptian history is very dynamic people come and go. However, in Japan, Japanese history is relatively calmer than in Egypt. This is a different environment. Japanese generally like to make a plan, but we were trying to do the best on the plan we made previously. Still, Egyptian people, of course, understand the importance of the plan, but there are always changes. Something happens from the outside. So they cannot stick to the plan. My impression is that Egyptian people are more flexible in dealing with sudden changes, which is one of the big differences."

There are fundamental differences between the culture, history, and geography of Egypt and Japan. Understanding these differences and how they affect communication is the first step toward intercultural competence. However, it can only be a problem if you hold these differences in your mind as a stereotype or prejudice when dealing with your interlocutors or colleagues and blame everything on them without making an effort to understand and respect them.

As mentioned in the characteristics of HCC people, it is the network and how important it is for obtaining information and sharing knowledge within the same group. It is very trustworthy and has proven to be effective with the Japanese so far. However, it is a double-edged weapon if trusted too much or followed blindly. Incorrect information or judgment can be a guideline for dealing with a particular situation or generalizing judgment about an entire country. In the following case, an Egyptian participant told about his struggle to prove that he is a good worker in order to break the negative stereotype about Egyptians reported by his Japanese seniors:

"What is worse than racism is that the Japanese will not trust the non-Japanese opinions. Even if he is talking about an Egyptian topic, I am the Egyptian person who knows more than any other Japanese who lived in Egypt. No, he will take his opinion and not yours. What is the reason? Racism. One of the disadvantages of working with the Japanese is that they are very stereotyping. They have the three words (IBM: In Shaa' Allah= later, Bokra= tom, Ma'lesh= never mind) they call it IBM. they come with those prejudices about Egyptians. Egyptians are swindlers and lairs. They don't respect time. They don't like to work hard. They waste time in prayers and have lots of excuses. When you join a Japanese place, you have to deal with two issues. You need to prove

yourself and your worth, and you need to break the stereotype he has about you even before seeing you. Those two problems are the worst. A Japanese co-worker directly told me that before he had come to Egypt, he had heard that many Egyptians are thieves, liars, and don't work well, but I found that you work and you are good to me, but still, I cannot completely trust you."

In the previous situation, the headquarters might not receive clear reports about the local market due to the hierarchy between supervisors, managers, and employees in the same workplace. The voices of local employees are not trusted, sometimes silenced, or cannot reach the higher levels. The story of an Egyptian participant about his supervisor who wanted to make him a scapegoat to cover up his mistake from headquarters came very close to such a case.

"I always have written proof either on WhatsApp or an email, and I do not do work through phone calls. The Japanese manager made a huge mistake, not me. If I didn't have emails that proved that, and if I didn't keep all history and attachments, I would have paid 30000EGP. The manager wanted me to take full responsibility for his mistake...They are liars and racists, and they don't take responsibility, especially if it is a problem. There is a problem; we run to find who will be the scapegoat, not how we fix it. After we find the scapegoat, let's hold a meeting and another meeting and a committee, and so on.

Regarding that problem, the manager told me; you will be taking responsibility for this. I told him I would send all information to the HQ in Japan, and I will send it to the Egyptian side and let them decide who was mistaken in this. And then I don't have a problem quitting work. But I will not leave until it is clear who made a mistake. He closed the topic and said not to open it again. They search for the scapegoat before they try to fix the problem."

It is hard to imagine a Japanese employee going against his superior and confronting him with such an attitude. In this situation, the Egyptian employee was lucky that he had direct contact with headquarters, which somehow saved him and gave him a chance to fight back and keep his position. Even if he had left, he would have clarified his situation.

In the previous case, the same participant admitted that he gained different skills and experience working with Japanese and was lucky to get a better supervisor.

"for the positive, there are many things. The most important thing I gained is time management. As you know, the Japanese always have deadlines, and sometimes I have four or five tasks with the same deadline. How to manage my time was necessary. Also, the teamwork we don't have the teamwork concept in Egypt.

Another thing I personally consider positive is that you have to develop yourself and learn on a daily process. You can't stop at a certain point and get stuck there, regardless that a big part of Japanese work is routine-based, signatures, Japanese hierarchy and you do the work send it to a higher level and so on... but you are still forced to learn many things to keep up with the speed, data, requested work, and such."

The same participant also explained that there is no career path when working with Japanese, which is different from Europeans or Americans, where you can reach the highest level.

"As for negative points, there is no process for promotion or career path in any Japanese company or organization in Egypt. I don't like to tell this point to others, not to depress them. Here they fool people with titles like here you are a senior, director, or whatever, and it's all fake titles, just not to get annoyed and leave them. Here in Egypt, we don't have a career path unless the person approved efficiency to go to Japan after a while. That is the first negative point another thing related to this point is the salary.

They give you a salary that is almost half of a fresh Japanese graduate. Salaries start from 600-700\$. When you get a good salary, it might be 1000-1200 \$ in Egypt; no one receives more than this. The Japanese get how much as a start? 1800 - 2500 \$ depends on the company, career, and others. Here the max to reach is 1200-1300; it depends. It may reach 1500\$ if you are the top person. when you talk with them about this gap, they say in Japan there are taxes and this and that, but still, you don't treat me the same way. I do the same as the Japanese staff. Here it shows that you are not like the Japanese, and you won't get promotions like in Japan. This is the first disadvantage you get when you work with Japanese. It is the opposite when working with any other international company or organization."

Therefore, the participant waits for a better opportunity elsewhere. The impact of such unreported events can be severe if the business is not running smoothly or an experienced and efficient member leaves. But in similar situations, when the problem is on the same side, the loss is somehow still contained.

The worst scenario, however, is when such behaviors occur in government technical cooperation projects where both parties are in an equal position, and large investments and international relationships are at stake.

In the previous example, the Egyptian employee was able to survive because he worked directly at the Japanese workplace, had direct contacts with headquarters in Japan, and threatened to report the matter himself.

In JICA's projects in the various ministries, the national teams that support JICA's experts are usually outsourced, contract-based workers. They do not have direct links to JICA headquarters (HQ) in Japan, and their contracts do not go through JICA's Egypt office. If a problem arises directly with them or their colleagues, it will not reach the JICA's Egypt office or HQ in Japan. Aside from some individuals' characteristics and personal attitudes, a bigger problem is that there is no transparent documentation of communication patterns and their impact on workflow. This is particularly sensitive in government projects.

5.1.2 Kaizen Center: Customization and Egyptianizing.

Kaizen: As a way of thinking or philosophy to change people's perspective and mindset-Kaizen Center, Ministry of Trade, and Industry (MTI), Cairo, Egypt.

At the Kaizen Center, the way they understand and practice Kaizen has evolved impressively. The Kaizen Center was established in 2006 based on a collaboration between JICA and the Egyptian Ministry of Trade and Industry. The center was established to enhance performance in the industrial sector by sharing Japanese know-how (especially Kaizen, 5S, 7QC)

tools)¹²⁶. Gradually, the center evolved into a hub to spread Kaizen culture in different sectors. Kaizen Center's staff disseminated industrial Kaizen and 5S as industrial development tools. A senior Egyptian participant mentioned they also "*Egyptianized*" Kaizen to integrate it into people's mindsets and ways of thinking. He said one of their tasks is to translate the training materials provided by JICA in the preparation phase. The materials were vague and had new terms with no explanation, and some parts did not make any sense in English. They simplified and translated the materials and customized them to meet different needs (workers, technicians, engineers, and senior staff who get Kaizen training). They explained and implanted the concept, its meaning, and its effect on the output and the quality and applied it even for administrative consultation.

"Any communication or work with Japanese and Egyptians has to be Egyptianized... We should take the initiative to know our needs and then find how to fill the gap... I proposed "Kaizen for Egypt" to introduce it to the people and industrial sector. My proposal was about this Kaizen Center to be a hub in charge of different Kaizen Centers in Egypt. We have 114 industrial zones in Egypt. Each governorate has one, and we get an office there in each one. That office should have a Kaizen Expert. To visit and monitor the factories in the governorate. The project starts with three governorates in different regions, Upper Egypt, Port-said, and the East part of the Suez Canal."

What is unique about the Kaizen Center is that, first, it has evolved into a center that teaches Kaizen as a concept and a way of thinking to change the mindset and performance of employees in various fields. Second, the Kaizen Center staff fully embraced the concept and realized the importance of integrating it into people's mindsets, value systems, and culture. The center became a hub for Kaizen in Egypt and Africa. They provide their services 127 and consultation to public and

¹²⁶ Kaizen Center Vision: The leading organization in value-added productivity through sustaining Lean manufacturing and Kaizen innovation in Egypt and MENA region. Mission: 1) Driving productivity enhancement by waste reduction. 2) Efficiency and effectiveness of employees. 3) Quality management systems recognized. 4) Problem solving techniques by Kaizen methodology. Source: Kaizen Center Press Presentation.

¹²⁷ Source: Kaizen Center's Press release presentation. Author's collected data in fieldwork, MTI, Cairo, Egypt 2020 "Technical Support: Technical consultation and On the Job Training for Egyptians and African countries. The center provided five trainings for 100 African participants from 27 African countries in collaboration with Foreign Trade

private sectors (inside Egypt and in African countries – as shown in Figures 11 and 12). At the same time, the collaboration with JICA is somewhat limited to the government sector, which makes the Kaizen Center more flexible in changing or adapting its materials for each case. They adjust and "Egyptianized" Kaizen and Japanese know-how in a form that suits Egyptian needs and mentalities.

Services provided by KAIZEN Center from 2006 till 2019

Kind of Services	No. Of Companies	No. Of Participants
Seminars	146	423
Training courses	608	2406
Workshops	166	526
In-house training	208	2296
Total	1128	5651

Diagnosis: More than 400 companies

Consultation: PQIC succeeded to achieve more than 50 success stories by increasing the productivity rate or decreasing the percentage of defects

Figure 11. Kaizen Center Achievements.

Source: Kaizen Center Official Presentation. Slide 9. Collected data during fieldwork 2020.

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training Center (FTTC) and JICA such as Ethiopia, South Africa, Uganda and Cote d'Ivoire, Malawi, Zimbabwe, Tanzania and Cameroon. Source: Kaizen Center Press Presentation."

Examples of the training services

Five trainings for 100 African participants from 27 African countries in collaboration with Foreign Trade training Center (FTTC) and JICA such as Ethiopia, South Africa, Uganda and Cote d'Ivoire, Malawi, Zimbabwe, Tanzania and Cameroon



Figure 12. "Egypt Kaizen Center for African Countries." Source: Kaizen Center Official Presentation. Slide 10. Collected data during fieldwork 2020.

Kaizen Center employees know the Japanese know-how and adapt it to the needs of the Egyptian market and the Egyptian mentality. However, they sometimes encounter difficulties in communicating with their Japanese counterparts. As mentioned earlier, miscommunication, stereotyping, and ignorance of the host culture can disrupt the workflow. However, without a record of the patterns and a guide for dealing with them, miscommunication can drag on longer, resulting in losses at various levels.

At Kaizen Center, the Japanese side made a mistake in a project process that resulted in a disqualified expert being sent to the center. The expert who was sent did not meet the criteria for the position. Eventually, the expert arrived at Kaizen Center and caused various technical and people issues with Kaizen Center staff and their business partners for six months.

Nevertheless, after an informal discussion with JICA's Egypt office, Kaizen Center staff decided not to let the situation escalate. As explained by a senior Egyptian employee of the center, the main reason for this action was to maintain good relations with JICA in future collaborations. It was decided to ignore the current loss in order to maintain long-term cooperation with JICA.

"We requested a Total Productive Maintenance Expert. JICA made an ad for volunteers, and that was the disaster... They made an ad for lean production, and they did not send us the information. The ad probably had something wrong written on it or was not clear. After that, we met with JICA several times after the expert's arrival, and we knew he was not meeting the criteria we had set. He knows nothing, the opposite of the expert who came before him for six months and applied excellent techniques...JICA warned us from the beginning about his attitude even before they knew the farce we were having here. They warned us that he had problems with several people and his way of talking is harsh, so take care...We are in a sensitive situation. We finally got the collaboration back with JICA, so I was concerned. JICA was trying to say it was just miscommunication, and they took the discussion in a different direction."

This is a case where miscommunication led to losses in investments and relations between Kaizen Center's business partners and put JICA's Egypt office and Kaizen Center in a bad position.

On the other hand, JICA's process for selecting experts or volunteer experts to work overseas is a lengthy and complicated process. Once the Japanese side has made a decision, it is difficult to change it, which brings us back to the point of flexibility and the ability to act accordingly when sudden changes occur.

It takes many steps, starting with a project idea or proposal from a Japanese or foreign company. To get it in the right shape, they use Japanese consulting companies that specialize in preparing applications for the Japanese Embassy in the country of the project. The Japanese Embassy submits the project concept paper in its country's report to the Ministry of Foreign Affairs and submits it to a committee consisting of five agencies. Ministry of Foreign Affairs, Ministry of Industry, Ministry of Finance, Prime Minister's Office, and the Planning Bureau.

After the committee evaluates and accepts the concept paper, it is submitted to the Japanese parliament, and if approved, it is forwarded to JICA. When JICA receives approval, it opens the bidding process and solicits bids from various companies. The company that wins the bid signs the contract with the JICA and begins implementation, as shown in Figure 13.

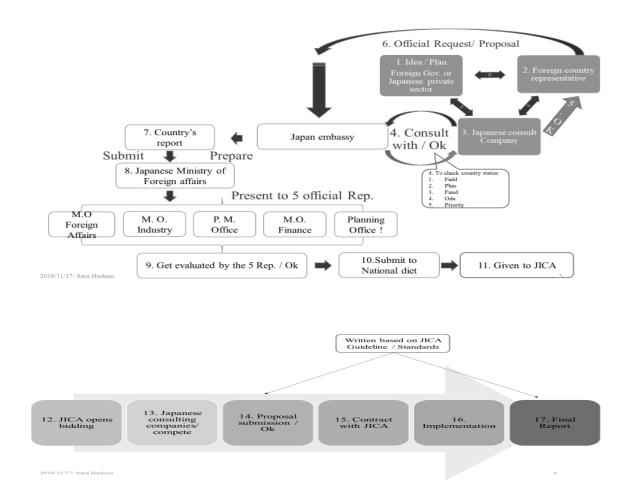


Figure 13. Process of Japanese Development Assistant.

Source: Author's JICA Internship Report. Tokyo, Japan 2018.

Therefore, it takes so long to work through all the layers. And if something comes up after approval or an error comes up, it's difficult to make changes or additions. The Japanese system is very efficient, detailed, and streamlined. However, these characteristics can prove detrimental when sudden and unpredictable events occur, as in the case of the JICA expert mentioned above.

Both JICA and the Kaizen Center had to make do with an unqualified expert for the position until the end of the six months.

5.1.3 Toyota Motor Engineering Egypt (TMEE): Managerial and Industrial Kaizen.

On the other side of government cooperation, Toyota Motor Engineering Egypt (TMEE) represents globalization in the workplace. TMEE was established in May 2011¹²⁸. TMEE is a unique example of Toyota's expansion outside Japan, and it manufactures Toyota Fortune cars in Egypt while outsourcing the Arab American Vehicle (AAV) production line¹²⁹. The AAV is an American-Egyptian, state-owned factory.

This is globalization in the workplace. In this multicultural workplace, the Japanese employees were sent to Egypt after receiving proper training on the Toyota Way, the systems, the technical aspects, and the general orientation of Egypt (geographical, political, and economic), except for the cultural aspects. The Egyptian staff had a general orientation on the Toyota Way and Kaizen as self-study material. The training they received was primarily technical or industrial. A senior Egyptian participant mentioned that the team of engineers received specialized training only in Japan at Toyota's factory.

"When we joined, there was no training as the typical definition. Still, they tried to introduce Toyota Way and philosophy in paper materials. They gave us to read to understand its philosophy and Toyota Way and Kaizen. Every while and then, there is a gathering for everyone in the company. Such as the birthdays of each quarter of the year. Before this gathering, like 20

¹²⁸ TMEE was established in May 2011 as a joint venture (40%: Toyota Motor Corporation, 40%: Toyota Tsusho Corporation, 20%: Toyota Egypt S.A.E)

Source: Author's collected data in 2017, TMEE's Welcome to Egypt PowerPoint presentation.

¹²⁹ AAV was established in 1977 with a capital divided 51% Egyptian Gov. and 49% Chrysler.

Source: Author's collected data in 2017, TMEE's Welcome to Egypt PowerPoint presentation.

min, the Japanese manager explained to us what Toyota Way is, and we talked about safety and other topics. I had two training in Japan. One was after one year of joining TMEE. It was a general training named GPS in Motamachi's plant in Toyota city."

However, the duration, content, and frequency of training are relatively shorter compared to Toyota colleagues in Japan, as mentioned by an anonymous Japanese participant. At Toyota Japan, all employees, engineers, and administrators receive at least one month of training in the form of lectures on the Toyota Way, philosophy, and Kaizen. Then they receive On the Job Training (OJT) in their departments, led by their supervisors and managers, which lasts about a year. And the technical training depends on the requirements of each job. A Japanese participant who has worked at Toyota for a few years mentioned the following:

"We had different training. For example, OJT, where I learn everything from seniors. How to send an email, make a document, and how to speak as a businessman. As I mentioned, we have two methods—lectures in meeting rooms and study some case studies and how to manage them. Then, there is the OJT system, so we learn the practical... We have human resource divisions; those divisions are handling to train Toyota's staff in many countries to know about Toyota's philosophy. For example, we gather them in Japan and have training and presentations about what we are doing and the next target. That is based on Toyota's philosophy, Genchi Genbutsu, and Kaizen."

TMEE's work environment is a mix of Egyptian and Japanese employees from Toyota, AAV, and from local suppliers. A multicultural workplace with at least three work systems and many challenges. According to senior TMEE employees, one of the most serious accidents at TMEE was when a senior Japanese employee caused trouble and misbehaved with TMEE's Egyptian team and local suppliers. The employee's behavior eventually had a negative impact on the workflow and work environment at TMEE and at the suppliers. The situation escalated to the point that all local suppliers filed an official complaint with the Egyptian Car Manufacturer Union against the senior Japanese engineer, who was behaving unprofessionally and disrespectfully by

Egyptian standards. At the same time, the same Japanese person was the reason that a senior Egyptian engineer from TMEE left Toyota because of his behavior. Finally, Toyota HQ in Japan decided that the Japanese engineer should be sent back to Japan because of the problems and losses he caused to local suppliers and employees. A senior TMEE engineer made the following comments:

"Most of our communication was with that Japanese senior, not with the manager. He was always shouting and angry. Always saying, "crazy, Baka." Not only with us (TMEE) but with the managers of AAV as well. Some fought with him, called him names, and insulted him. He had a bad attitude with everyone, even with local suppliers. They even submitted an official claim/complaint to the Cars' Manufacturing's Union in Egypt, and a strict warning was sent to him. Most probably, this had a direct link to remove him from TMEE...He was so upset with XXX senior Egyptian engineer, and grouped everyone against him, and since then, he was harassing him. XXX was kicked out, and like any normal person who lost his job, he searched for another job and worked for BMW Egypt. Whenever they (Japanese staff) hear the Egyptian senior's name in any conversation, they get upset and call him a traitor; he's not loyal to Toyota. But you fired him! should he die after that! Maybe they thought he took Toyota's secret to the other side."

Whether it was due to this Japanese supervisor's poor attitude or his lack of communication skills, he ended up causing losses in human resources, relationships, and reputation in the local market. Such situations could be easily avoided if there was proper simple training or orientation on Egyptian culture, how to communicate and what to avoid.

Despite all these challenges that the multicultural work environment brings, sharing knowledge, experiences, discussing, and working from different perspectives serves the globalized market that allows and demands new requirements, needs, materials, and ideas.

A new person has a fresh, new perspective and is not used to the old, rigid ways and systems that have become the norm and are not challenged by senior managers. This allows new blood and

new ideas to flow into the system to refresh and renew it, as one senior Japanese participant at Toyota Japan noted.

"Toyota's business practice is related to the A3 paper. My Chinese colleague was new in the company. I taught her to make an A3 paper on Toyota's business practice. In Japan, all Japanese new members don't doubt the efficiency of this paper because we are Toyota persons, so we just have to learn it, and this style is needed, and we can't change this. But this new member in China asked me if she could change this A3 horizontal style into A4 papers vertical style. I thought Toyota's style was this, so please follow the standards, but she could not agree with it. So, I believe in Japan, Japanese personality we have the mind to obey the rules, which might be considered a bad aspect because we don't think sincerely about what we are doing or if it is the best. However, foreigners have a more flexible way of thinking. That Chinese colleague was right. Yet, Toyota's business practice A3 style is imperfect, and I think it isn't easy to make. Still, all Toyota's staff abroad follow that style."

Working with people from different backgrounds develops communication skills, work skills, and thinking. Kaizen and 5S developed their observation skills and even impacted their personal life, as narrated by the same Japanese female participant:

"I think the best change was in my personality. After learning Toyota's culture and working every day at Toyota gave me confidence... Toyota had a sense of national duty, and after I joined it, I felt I contributed to the national economy. All employees have the mind of national duty. It motivates and makes you feel part of something big and proud. On a personal level, sometimes, when my parents have an argument or something, I tried to help by using Toyota Business Practice to logically solve the problem, but they did not like it."

A senior Japanese participant in Toyota Japan mentioned the same point regarding how work and Toyota Way affect his personal life and way of thinking and acting:

"I always have fights with my wife, and when I try to solve it, I start asking questions about the reason (why, why, why), trying to find the root cause, but she doesn't like that either and says this isn't business."

The same can be said for a senior Egyptian participant in TMEE:

"I learned many things working here. On a personal level, I tend to forget things, and I was working on fixing this. I learned how to organize my life and easily memorize the things I need

to do. At Toyota, they reorganized my brain. On the professional level: time management; to have all work on excel and matrixes to be more precise. The Egyptian work style is different from this, either private or governmental sector. We work verbally, not documented in graphs... It was impressive to make a daily schedule for a year. To me, that was a miracle. In Egypt, it is just a daily plan. You set the goals for this month, but other things interfere. Such as the bureaucracy of governmental authorities, you do not know when something can be done. Even with all the obstacles in the system here, Toyota did follow their schedule and make things on time. This is one of the amazing things here."

During the investigation, the author learned that two Egyptian managers left work at TMEE after their interviews and moved to other German companies. Although the Egyptian team members at TMEE appreciate working for Toyota, admire many characteristics of the Japanese work style, and admit that they learn a lot from the Japanese team. Nevertheless, they do not have a strong sense of belonging compared to the Japanese Toyota team. Some of them mentioned the following reasons: They do not feel trusted or appreciated by the Japanese management, the Japanese work style does not respect their personal life, and the communication and attitude are better than the Germans, so they consider leaving Toyota if there are better opportunities at another company.

5.2 Main actors in Egyptian Japanese business relations in Egypt

The study of Kaizen and Toyota Way in Egypt revealed a lack of cross-cultural competence and miscommunication between Egyptians and Japanese in the workplace. While there are studies and reports from the Japanese side and other researchers on how to communicate with Japanese in business, there are no records or documentation on Egyptian business culture or interactions in business. JETRO has published the report "Communication with Japanese in Business," which highlights various patterns of miscommunication on the Japanese side and explains their background and causes. For example, the report reasons that the Japanese remain vague or do not give direct answers in business conversations for geographical reasons. According to the report, the Japanese lived in harmony and peace on an island with limited habitable land, and confrontation was not a wise option.

"In Japanese society, the individual has traditionally derived identity from group affiliations, including family, school, and company. In Japan, businesspeople will often mention the name of the company they belong to before their own name when meeting someone for the first time. In a country the size of California, with a population nearly equal to that of Russia, the maintenance of relationships have been critical to survival. Without the "elbow room" of a frontier environment, where one could always move away if relationships soured with neighbors, the Japanese have relied on internal restraint to maintain harmony and the social order. Emotions, especially negative ones, are not openly expressed. This is not to say that the Japanese stifle individual opinions, but there is an appropriate way to discuss and resolve differences -- an indirect, private way that does not involve public debate, confrontation, or loss of face. 130 "

The report draws a map for people doing business with Japanese - it discusses the most frequently mentioned comments about the attitude of Japanese in business, understands them, why they behave the way they do (so as not to offend), and how to deal with them. It is essential to

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¹³⁰ "About Us | Japan External Trade Organization - JETRO."

create such a guide or cultural map that records misunderstandings and gives advice on how to deal with them.

With this intention, the author has started to collect information about Egyptian business culture, business etiquette, and business from the main players in Japanese business in Egypt. In order to grasp the current situation and identify the differences and patterns.

The author intended to interview the office of JICA Egypt, the office of JETRO Egypt, the Ministry of Trade and Industry (MTI), the Egyptian-Japanese Business Council (EJBC), the office of Egypt Commercial Services in the Egyptian Embassy (ECS), Japan Embassy in Egypt, Egypt Japan University Of Science and Technology (E-JUST), the Ministry of International Cooperation (MOIC), and others. However, due to COVID -19 travel restrictions, availability of officials, and administrative procedures, the author was unable to schedule some appointments with other stakeholders.

The above authorities were initially nominated by the Egyptian offices of JICA and JETRO. The other participants were selected based on nominations from other participants using the snowball system and the author's direct connection to the MTI. The author found that most investigated Egyptian destinations do not have written documentation of their business protocol, culture, or etiquette except for the commercial services' offices¹³¹ in Egyptian embassies in foreign

¹³¹ "MTI - About Us>Ministry's Sectors and Entities>Related Sectors>Egyptian Commercial Service>Goals." "Egyptian Commercial Service (ECS) is the government trade promotion organization that works within the framework of the Ministry of Trade and Industry. ECS contributes to the economic and social development of Egypt through the promotion of exports and the attraction of foreign investment. ECS accomplishes these goals by providing the business community with quality services through its network of external offices and fostering synergies with other organizations. The ECS Vision is to become the trade advisory reference for the Egyptian business community and a leading international trade and investment promotion agency bridging Egypt and the global markets. A governmental agency recognized by its professionalism, high quality staff and efficiency. Its objectives, Developing and diversifying export markets for Egyptian goods and services, attracting foreign investment in Egypt, Representing Egypt in international organizations, Preserving Egyptian economic and commercial interests abroad. ECS has a unique network of (55) commercial offices located in (49) key countries with strategic economic interest for Egypt.

countries. The Egyptian Commercial Services (ECS) is the closest to the Japan External Trade Organization (JETRO)¹³² in terms of work responsibilities inside the Egyptian government. The ECS is under the Ministry of Trade and Industry and plays the role of commercial diplomacy to contribute to Egyptian economic and social development through promoting Egyptian exports and attracting foreign investments.

The ECS offices have rigorous training programs for their representatives and a written manual or guide in each trade office in each Egyptian embassy. However, it is not about representing Egyptian business culture. Nevertheless, it is a guide for their Egyptian successors to assist them in their work in the new country, as confirmed by a senior ECS official.

"In Egypt, the business culture differs from one organization to another. We have various entities that deal with business. Of course, commercial representatives are one of the leading entities that deal with international trade, the federation of Egyptian chambers of commerce, MTI generally, and business counsels in Egypt and other countries. But it is not unified among all entities. Commercial representatives created a culture of their own. Every person goes to serve abroad, and before leaving his post, he writes a manual containing how to deal with the country's culture. Then his successor gets the know-how to deal with the community. I did that in China. I wrote down the details about working with Chinese people, how to live in the country, what the Chinese like, and how to deal with them. I did the same thing in Brazil and South Africa. It is generalized to the person who travels to the same country in the next post. That document remains in the place's database as a literature review. This is in the commercial representation, but it is not generalized.

We have two careers, the diplomatic career and the administrative career. The diplomatic is related to political and commercial issues. Generally, according to the Egyptian Diplomatic Laws, as we are not affiliated with the ordinary labor law, we must take a training course at the Diplomatic Institute. The Ministry of Trade and the Ministry of Foreign Affairs' staff must attend

Source: JETRO's website

This international network helps Egyptian companies by disseminating information on overseas markets and business opportunities, as well as providing other trade related services. The ECS offices abroad count on highly qualified personnel who are ready to respond to any related queries from companies and business organizations, in Egypt and abroad."

Source: MTI's website

¹³² "JETRO, or the Japan External Trade Organization, is a government-related organization that works to promote mutual trade and investment between Japan and the rest of the world. Originally established in 1958 to promote Japanese exports abroad, JETRO's core focus in the 21st century has shifted toward promoting foreign direct investment into Japan and helping small to medium size Japanese firms maximize their global export potential."

courses at the Diplomatic Institute. They must be enrolled in the Diplomatic Institute. After passing the diplomatic exams and interviews, it is a preparation institute you enrolled at after passing the diplomatic exams and interviews... Although it is not required from the Egyptian diplomatic person to learn the country's language, he will be assigned to it. It is a personal preference."

The ECS's guide is the only documented material on the Egyptian side. It is classified and accessed only by the representatives of the ECS and is not even consistent with other Egyptian ministries. Apart from that, it does not document Egyptian business culture, nor is it aimed at foreign investors. Rather, it is a set of advisories for ECS's staff on business cultures and rules in each country.

Nevertheless, the document can highlight what patterns of behavior or differences exist when working with, for example, South Africans in business. It can show the challenges and misunderstandings of the Egyptian representatives. After collecting and analyzing these patterns, it can record the Egyptian business culture and present it to foreign business partners and investors. As far as the author researched, there was no official document, study, article, or paper written by an Egyptian authority that presented Egyptian business culture, except for a few online articles written as advice on business etiquette in Egypt. These articles contained inaccurate information and personal impressions about how to behave as a tourist or businessman in Egypt or gave incorrect advice. For example, there is corruption in Egypt, and you need to pay money to complete your work. Indeed, Egypt has a corruption problem, but it will worsen if people follow such advice. Therefore, it is important to have an official document that introduces the Egyptian business culture written and approved by the Egyptian side and shows the way transparently. It should point out the obstacles and show foreigners the right way to overcome them. For example, call these numbers and follow the instructions if you have a problem with bribery.

Considering that the bureaucracy of the government sector may take longer to become active and take action, the author also examined business councils and their solutions and approaches to ease business challenges.

The Egypt-Japan Business Council (EJBC) ¹³³ is a business council in a public-private partnership on both Egyptian and Japanese sides. The Council was established on April 12, 1999. They signed the agreement in the presence of the Japanese Prime Minister and Egyptian President in Tokyo.

The EJBC's main objective is to facilitate and support Egyptian- Japanese economic, cultural, and social relationships. The council has many connections with all parties involved with Japanese relations in Egypt (Figure 14), and its main counterpart in Japan is the Japan Chamber of Commerce and Industry (JCCI).

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¹³³ Source: Author's collected data in fieldwork in Egypt Feb. 21, 2021.

[&]quot;EJBC in brief: In the Agreement on Economic Cooperation and Encouragement of Investments between Egypt and Japan in 1978, it was stipulated to establish a joint committee between businessmen from both sides, but this committee was not activated. On April 12, 1999, an agreement to establish the Egypt-Japan Business Council was signed in the presence of the Japanese Prime Minister and Egyptian President in Tokyo, and therefore the Council celebrates its twentieth anniversary this year 2019. The structure of the Council was approved for the partnership between the public and private sectors in both Egypt and Japan for joint work to support economic cooperation between the two countries, and a ministerial decision was issued by the Minister of Industry and Trade to form the Council on the Egyptian side, the presidency of the council since its inception (the late Dr. Abdel Monem Seoudi during the period from 1999 to the first half of 2012, Dr. Mervat Talawy during the period from the second half of 2012 to 2014, Mr. Eng. Ibrahim Mahmoud El-Araby during the period from the end of 2014 to date). The council works according to an action plan that is periodically updated to match the variables on the regional and international arenas in a way that serves the interests of its members in all commercial, industrial and service sectors, and in the first-place support Egyptian Japanese communication and rapprochement between the Egyptian and Japanese peoples, culturally, socially and economically. On the path of rapprochement between businessmen from the two sides, the General Secretariat of the Council periodically organizes joint meetings for Japanese businessmen and their Egyptian counterparts in cooperation with the Japanese Chamber of Commerce and Industry hosting the General Secretariat of the Council of the Japanese side, and these meetings are organized either in Japan on the sidelines of conferences and seminars held in Japan or in Egypt by hosting delegations of Japanese businessmen in cooperation with the Japanese organizers. The council is also keen on continuous communication with the Japanese side to present the elements of investment, partnership, and business in Egypt through joint conferences of the Business Council in Japan and investment forums that are held for this purpose in conjunction with the relevant Egyptian authorities and ministries. Source: EJBC's PPP."

The council is one of the main places Japanese companies and organizations turn to when they face difficulties in Egypt. It may be that companies are having difficulty completing procedures or that they need a clear explanation of some new rules and regulations.

The council works with Egyptian government agencies, which saves time and eases the bureaucratic process. They help both Egyptians and Japanese find their way to the other side by having the government's powers, connections, and advantages and by being open-minded and flexible with the private sector.

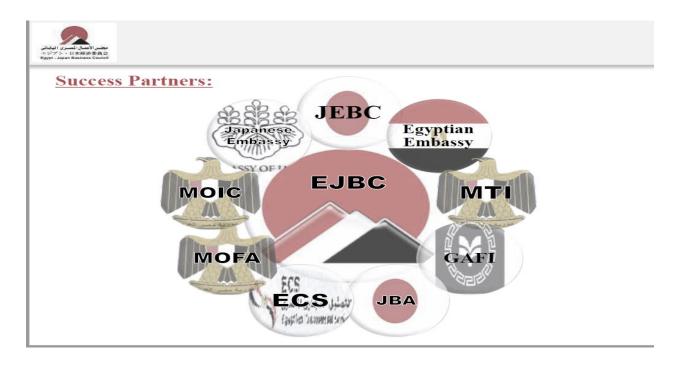


Figure 14. EJBC's Success Partners.

Source: The author's collected data from EJBC during fieldwork in Egypt in 2021

Although the EJBC had supported Egyptian-Japanese relations for about 20 years, when the author researched, there was no official protocol or internal document that represented Egyptian business culture or a guide for dealing with Japanese business partners.

According to a senior council official, knowledge was passed on in practice or orally during business meetings with Egyptians or Japanese. With the exception of "How to Invest in Egypt,"

published by the Ministry of International Cooperation, he did not come across any such documents. He also added various challenges related to government procedures, laws, and regulations.

However, he stressed that communication challenges have a greater impact on Egyptian-Japanese relations. For example, the Japanese focus on details, perhaps too much in a way that complicates things before they start, such as preconditions in their contracts. They have to be 100% fulfilled even before the business talks start.

"I work with people from different cultures. Asian, Arab, American, and European. The Japanese worker's character was very interesting, although it is complicated...They are slow in taking decisions and actions and are extra sensitive toward any political or social event in the Middle East and Africa. They insist that their conditions and preconditions be 100% in the Japanese style before starting, all that delays the business.... practically speaking, being slow in making decisions, and the hesitation whenever any changes happen, especially in the Middle East personally tiring. The many details they ask for and the preconditions they set to have in their Egyptian partner before starting actual negotiations all delay things."

Since Egyptians tend to simplify and generalize, this can have a negative impact on a Japanese person's impression, according to a senior official at the JICA office in Egypt. This is where the EJBC plays the role of mediator to facilitate business communication:

"If they face communication difficulties, they ask us to intermediate as a third party to explain their point of view and be with them in the discussions. That happened in all the visits in Japan, exhibitions, seminars, forums."

Based on the aforementioned undocumented, untold events and stories identified through research, Egyptian-Japanese business communication challenges can be divided into system-related challenges, which include rules, regulations, laws, procedures, and paperwork. Second, communication-related challenges, language, since both Egyptians and Japanese mainly use a

foreign language in their communication, cultural differences, ways of thinking, stereotypes, and attitudes.

Apart from communication-related challenges, most of the participants (91% Egyptians and Japanese) stated that they have problems with the system in Egypt (regulations, laws, or procedures). These include the long process of applying for a work visa, the Arabic language in submitting all documents with the English version, sudden changes in laws and regulations, such as some taxes and duties on importing materials from abroad for Japanese production in Egypt, as mentioned by an official Japanese participant in Egypt.

"Egyptian government request not only English documents but also Arabic documents also are requested. So, it is very difficult to translate. That is one of the problems. When they (Japanese) apply some documents to establish a company, it takes a long time. I don't understand how Egyptian management can make procedures smoothly done, so this big obstacle ends.... if the Japanese want to establish a representative office and they do a survey, what kind of business sector is possible or not, this takes a long time. Not only one year, maybe two or three years to complete the survey.

Yet, there was a big problem that happened. November 2018. the Ministry of Investment issued a new decree. If a company wants to establish a representative office is allowed, yet within three years, that representative office has to change to a branch or joint venture company. We were surprised; why did the gov. decide on such a system.

The company must decide through the survey. It depends on the survey; it might take 5 or 6 years before they can change to a branch or joint venture company. that depends on the company's policy... I want to suggest, insist that the procedures to make a visa to take a license should be more smooth only within one month is ok, but now we are waiting for almost one year..... Toyota and Nissan manufacture cars in Egypt. They make good cars and sell in the Egyptian market and neighboring regions.

But starting Jan. 2019, import from the EU, the older kind of XXX, has no import duty and zero tax. That means the cost is cheaper than before. Nissan and Toyota manufacture cars, but they have to import some parts, but that part-imposed import duty of 5- 10 % max 60% means the locally assembled cars will be more expensive... GAFI and ECS it is under the Ministry of Trade and Industry. We have MOU^{134} with GAFI. Last year we signed MOU with the ministry of trade

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¹³⁴ MOU: Memorandum of Understanding

and industry, so ECS is our contact person, and we discussed with them the problems I mentioned above."

Whether or not system-related issues have a measurable impact on the business process and take more time to resolve, they are still clear and known because they are documented and can be discussed, analyzed, and solved. Communication-related challenges, on the other hand, are unknown, undocumented, and vague, and there is nothing tangible to discuss or solve.

However, the business communication challenges have not been solved yet. Egypt-Japan relations are developing as Japan has recently made substantial investments in Egypt in various sectors such as health, education, and industry (especially automotive).

In March 2019, a delegation of Japanese businessmen representing around forty companies visited Egypt to attend the eleventh conference of the Joint Egypt-Japan Business Council and the Egyptian Japanese Investment Forum¹³⁵. The delegation met with the Egyptian Minister of Trade and Industry to discuss the establishment of an industrial zone in the Suez Canal area.

Therefore, there should be a guide that characterizes the communication patterns, cultural background, and cultural taboos in order to facilitate better business communication that will assist the flourishing business cooperation between the two nations. In the following chapter, the author discusses the current system and communication-related challenges in Egyptian-Japanese business communication, focusing on how to achieve intercultural competence in such a working environment where there are significant differences between the private and government sectors.

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¹³⁵ "Business Mission in Tandem with 11th Joint Conference of the Japan-Egypt and Egypt-Japan Business Councils and Japan-Egypt Investment Forum | Archive 2019 - JETRO Topics - About Us - Japan External Trade Organization - JETRO."

5.3 Chapter Summary

Kaizen is present in Egypt mainly in three places. It was first introduced through JICA's international cooperation projects, initially at the Kaizen Center in the Ministry of Trade and Industry and in various projects with the Ministry of Health and pilot hospitals. They introduce Japanese Kaizen, 5S, and other Japanese know-how tools and techniques. However, unlike the private sector, their role in introducing Kaizen through JICA stops when the method is introduced. It also depends on the partners to be convinced to adopt and implement it. As one senior Japanese participant in JICA said, they sometimes encounter resistance because their counterpart does not understand the concept well, which underscores the importance of how to introduce a concept in a new place. Participants also pointed to the cultural, historical, and geographic differences that affect people's performance. From the perspective of a senior Japanese person, the Japanese are procedure-oriented, and the Egyptians are results-oriented. Interestingly, according to Edward T. Hall, both the Arabs and the Japanese are high context cultures.

However, the role of JICA ends at this point, and the Kaizen Center begins at this point. How to adapt, tailor, or "Egyptianize" the Japanese know-how so that it is accepted by the Egyptian mentality. The Kaizen Center plays the role of a creative facilitator and developer, working to transfer the Japanese methods in the best form that is beneficial to the Egyptian side. They adapt the concepts and techniques to the needs, mentality, and future plans of the Egyptian side.

Their goal is not to simply introduce new concepts but to work to change the views, value systems, and mindsets of people in the industries or companies they target. This gives them more variety and flexibility in adapting their materials and services to the case at hand. Although the

Kaizen Center staff understands the Japanese concepts and is working to spread them to Egyptian industries and companies, they still face some communication problems.

Finally, TMEE illustrates the communication between Egyptians and Japanese in the Egyptian private sector and how the Japanese hierarchy system, if abused, can lead to severe losses in sources and business relationships.

As shown in Figure 15, 80% of Egyptian participants agreed on how impressive the Japanese are in organizing their work. However, 70% of Egyptian participants faced miscommunication situations with their Japanese colleagues and described them as vague. 60% think the Japanese at work do not trust them, and 80% of them talked about the inflexibility of Japanese at work. And 55% of them interpreted Japanese attitudes negatively.

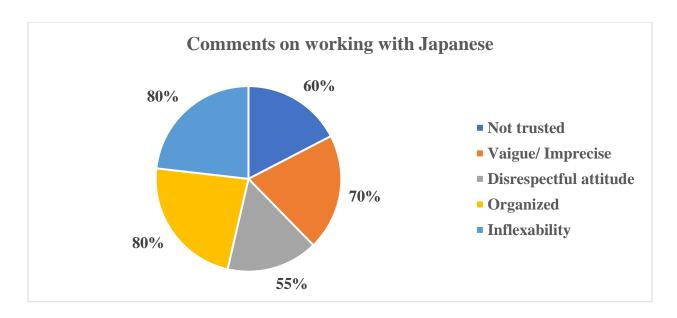


Figure 15. Comments from Egyptians working with Japanese

Source: Author

So, it is important to know the cultural background of your business partners, how business culture spreads, what patterns of communication or miscommunication exist, and how they affect work processes and business relationships in our globalized world. This will contribute to better mutual understanding, respect and communication. Ultimately, it will raise awareness among team members and promote better communication in international business collaboration.

Chapter 6. Discussion

6.1 Findings and Analysis Indicators

Kaizen has been studied from a variety of perspectives. And unlike previous research that focused on Kaizen from an industrial perspective, this study focuses on Kaizen and communication in international business from a cultural perspective, specifically the Kaizen Center and TMEE in Egypt. The challenges in the workplace were traced to clarify the cultural differences and explain the communication challenges and patterns that arise in recontextualizing Kaizen in Egypt.

A literature review was conducted on Kaizen, intercultural competence, high and low context cultures, and international business communication research. On the other hand, primary data was obtained from open-ended qualitative interviews with Egyptian and Japanese participants who have been involved with Kaizen in Egypt to illustrate the forms of Kaizen applications and the cultural and communication challenges in disseminating it in Egypt. Moreover, it aims to facilitate communication, reduce the gap, and achieve cross-cultural competence in Egyptian-Japanese business communication.

The study shows the different forms of Kaizen application areas in Egypt and the cultural and communication challenges that participants encountered in disseminating Kaizen and the Toyota Way in the Kaizen Center and TMEE in Egypt. The author explores the communication patterns and challenges in the Kaizen Center, the TMEE, their interlocutors, and the parties associated with Egyptian-Japanese relations in Egypt to highlight the cultural differences and explain the communication challenges and patterns encountered in recontextualizing Kaizen in Egypt.

In the literature, a brief overview of the history of Kaizen in Japan was given because Kaizen has a long history in Japanese society. In the 1930s, Kaizen appeared as a term in social and historical studies when the Japanese government began its campaign "Seikatsu Kaizen Undou - Developing life movement¹³⁶" to develop the different life aspects in Okinawa. However, the worldwide fame of Kaizen as one of the Japanese keys to success in industry and business is not originally Japanese. It was developed after World War II from an American concept for quality control¹³⁷.

The Japanese adopted the idea, adapted it to their needs and society, recreated it, and found the equivalent of its meaning in Japanese, "Kaizen." Kaizen was re-introduced to the western culture again in Masaaki's book "Kaizen: The Key to Japan's competitive success" ¹³⁸ as a "Continuous Improvement" practice that involves everyone in the workplace ¹³⁹. And along with the growing Japanese economy, investors and researchers paid more attention to Japanese methods and management systems.

With Japan's economic boom and Toyota being one of the main pillars of the Japanese economy known for integrating Kaizen into its system, Kaizen became known and recognized worldwide.

With its worldwide fame, Kaizen spread beyond the borders of Japan in two main approaches in various industries or as a management system based on the development of more

¹³⁹ Ibid.

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¹³⁶ 冨山, 戦場の記憶. Tomiyama Ichiro. Memories of the Battlefield. Nihon Keizai Hyoronsha.

¹³⁷ Ohno et al., "Introducing Kaizen in Africa. In GRIPS Development Forum (Vol. 1, No. 1, Pp. 1-8)."

¹³⁸ Kaizen as defined by Masaaki: "[A] means of continuing improvement in personal life, home life, social life, and working life. In the workplace, Kaizen means continuing improvement involving everyone – managers and workers alike. The Kaizen business strategy involves everyone in an organization working together to make improvement without large capital investments."

cost-effective labor and management techniques, especially in developing countries. First, through Toyota's expansion into other countries. Second, in JICA's projects in developing countries.

In the case of Egypt, the Egyptian government incorporated Kaizen into its industrial policy in 2006 when the Egyptian government, represented by the MTI, established the Kaizen Center. The center was responsible for the development of various industrial sectors. National staff was trained in Egypt and Japan to understand and transfer Japanese methods and know-how to the Egyptian industry. The Egyptian team at the Kaizen Center worked to "Egyptianize" the various materials and concepts and adapt them to the needs and mentality of Egyptians. They succeeded in making the Kaizen Center a hub that modified Japanese techniques into other areas of industry, management consulting, and education and training for the Egyptian government and private sectors, as well as many African countries.

Although the Kaizen Center's national staff are the most familiar with Japanese methods and techniques due to their many years of working together on the various phases of the project, they face some challenges in communicating with their Japanese counterparts. To find out what kind of communication they had, in the absence of records on this aspect, the author conducted indepth, extensive open interviews with Kaizen Center staff, JICA's team in Egypt, and other parties associated with and involved in Kaizen in Egypt. These include the Japanese Embassy in Egypt, the Egyptian office of JETRO, Toyota Motor Engineering Egypt, Toyota in Tokyo, Toyota Tsusho Tokyo and Nagoya, Toyota Museum in Nagoya, EJBC, ECS, MOIC, E-JUST, and former JICA experts as well.

The interviews were semi-structured to discover the untold, undocumented events and stories in the workplace and to understand the reactions, impressions, and insights of the Egyptians

and Japanese regarding their colleagues and peers, especially communication problems that were not mentioned in the official documents or reports. Both the Egyptian and Japanese sides did not record these communication problems. Nevertheless, 88% of the Egyptian and Japanese participants reported that they faced communication-related challenges. And as many as 91% reported system-related difficulties. Although participants were asked the same questions, "Advantages and disadvantages of working with Egyptians or Japanese. Communication Challenges," Egyptian participants commented more on communication challenges than their Japanese counterparts. While Japanese participants focused more on systems, trade laws, and regulations than communication issues (Egyptians 95%, Japanese 77%), Egyptian participants addressed communication more (Figure 16).

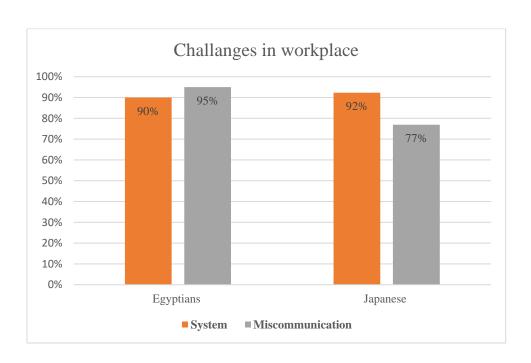


Figure 16. Workplaces challenges encountered in the study areas

Source: Author

Shimada Go emphasized the importance of adaptation and customization of concepts to each new host country's culture, conditions, and circumstances to have a successful process ¹⁴⁰.

However, communication challenges are not an issue faced only in Egypt and Japanese business. Many expatriates fail due to poor communication and knowledge of their counterpart's cultures. This initiated cross-culture competence studies as a field to discover why expatriates fail overseas and how to fix, predict and start training overseas to achieve cross-cultural competence¹⁴¹.

One of the most known models to explain cultural differences is Edward T. Hall's High Context and Low Context Cultures model. Hall's book "Hidden Differences" ¹⁴² gives advice and guidelines on doing business with the Japanese while clarifying the main differences between HCC and LCC.

Conversely, Hall argued that misunderstandings between high- and low-context cultures occur because of some key differences in communication. And since Hall classifies Japanese and Arab cultures as high-context cultures, it is reasonable to assume that their communication might be more accessible. Still, communication between Egyptians and Japanese is not without its problems, with 80% of Egyptian participants saying they have learned from working with the Japanese and respect their punctuality and organizational system. Nevertheless, 70% said that the Japanese are vague and imprecise, 55% mentioned that they had problems with the Japanese attitude, 80% mentioned Japanese inflexibility in business, and 60% said that their Japanese colleagues or managers do not trust them, which affects communication and workflow. In the

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¹⁴⁰ 島田, "特集:国際開発におけるカイゼン研究の到達点と 今後の課題 —学際的アプローチからの政策的インプリケーションの検討—. Shimada Go. 'Special Feature: Achievements and Future Challenges of Kaizen

Research in International Development-Examination of Policy Implications from an Interdisciplinary Approach-.' International Development Research 27 2 (2018): 1–11."

¹⁴¹ Ruben, "The Study of Cross-Cultural Competence."

¹⁴² Hall and Hall, *Hidden Differences*.

absence of records, these communication patterns, challenges, and cultural breaks are repetitive, and it takes time to know how to communicate.

Most comments on communication with the Japanese were similar to Americans (LCC). In some cases, Egyptians quit or consider quitting their jobs for reasons related to the work environment.

Many studies and researchers such as Hall, Johnson, Shimada Go, and Shin Komei emphasized the importance of studying local cultures, conditions, and circumstances when doing international business or collaboration projects to achieve cross-cultural competence in international business and collaboration. They showed case studies, worked on developing definition models, and searched how to fill these gaps. Some succeeded in extending into the global market. Still, many failed, and the reasons were expatriate failures¹⁴³, the headquarters' inability to understand the importance of the cultural element in doing business overseas, the lack of cross-cultural competence, and how it affects the communication and mutual understanding between overseas managers and local partners. Ignoring these elements has negatively impacted business flow and caused losses in investments, sources, and relationships. Knowing your counterpart and team members' backgrounds facilitates communication and navigating your steps while proceeding with your investment and work. Especially when it is a technical collaboration between two countries, it differs from the private sector's main interest, which is profit.

The investments of governments are more sensitive, and every action and decision affects the current and future international relations between two nations. It is important to consider how

¹⁴³ American expatriates' failure rate was between 40 to 55% failure (Black et al., 1999)

to introduce and spread business concepts in a new country. As the cases of Ethiopia and Egypt show, it is inefficient to impose a certain understanding or introduce a certain practice.

It does not get any easier if we assume that we are originally different. So it does no good if we try to understand each other and focus only on following the procedural instructions. The opposite is true. Because we are different, more effort is needed to understand those differences and to understand how to deal with them to save time, investment, and relationships. Each country or case is unique, and generalizing the rules erases that uniqueness. Giving up because conditions are not perfect can lead to losses for both parties.

Egypt was ahead of most African countries in implementing Kaizen and achieved impressive results on certain projects, as mentioned by a senior JICA expert. However, Kaizen was not integrated into the Egyptian society, culture, or education as it was in Ethiopia, where both the Ethiopian and Japanese sides worked at a deeper level to spread a concept throughout society.

The Ethiopian government has fully adopted Kaizen and integrated it into its education and value system. Ethiopia has become an attractive destination for international investment because its model has been remarkably successful. At the same time, the Japanese side analyzed Ethiopian society and culture to better understand it. As a result, the system for disseminating basic Kaizen was strengthened, and Kaizen education in local kindergartens and elementary schools was also established ¹⁴⁴.

¹⁴⁴ 山田 and 大野, 途上国の産業人材育成: SDGs時代の知識と技能. Yamada Shoko, and Ohno Izumi. Industrial Human Resource Development in Developing Countries: Knowledge and Skills in the SDGs Era. Vol. 1. 1. Nihon Hyoronsha Co., Ltd.

These integrated efforts and the grand plan of implanting or imparting a concept in the society and the value system of the people have made Kaizen a part of the culture and the way of thinking and acting of the Ethiopian citizens, which is not only practiced during working hours.

On the other hand, Egypt lacks a similar grand design that integrates all local and international resources toward one goal. Therefore, Egypt needs to study the Ethiopian case and learn how to integrate a concept into the people's value system and the government's long-term plans.

Especially because Egypt was also one of the interests of JICA and started its Kaizen activities and projects in 2006. However, after five years, in 2011, the January 25 Revolution occurred, and the political and economic situation changed, and it was not stable for several years.

Egypt's leading role was affected by the lack of an overall approach that directed all efforts and initiatives toward one goal, political instability, the economic situation, and weak capacities. As a result, Egypt ceased to be a leader and remained in the early stages, unable to move forward. In Ethiopia, on the other hand, the relatively stable political situation, the full commitment of the government, and the facilitation of the introduction of Kaizen, as well as the conditions for investment, were more suitable.

Hence, it is important to know the cultural background of your business partners, how business culture spreads, the patterns of communication or miscommunication, and how they affect work processes and business relationships in our globalized world. This will contribute to better mutual understanding, respect and communication. Ultimately, it will raise awareness among team members and promote better communication in international business collaboration.

6.1.1 Conclusion

This research found interesting differences and unexpected similarities. The research points to four important findings: first, there is a growing interest in Kaizen in Egypt and the Egyptian government. Egyptian researchers see it as a flexible concept that can be developed in different sectors such as education, health, management, and industry. However, there are some challenges that are slowing down the processes and causing Egypt to fall behind other countries, even though the country has pioneered Kaizen in Africa. These challenges can be divided into those related to the system and those related to communication and culture.

Regarding the system, Egypt is a developing country that faces various challenges, either internally struggling with corruption ¹⁴⁵ or with conflicts near its borders. That impacts the disclosure of any information to the public and explains the government's sensitivity toward handling information. As mentioned by a high Egyptian official in MTI, "It is the intelligence's complex. (Referring to the Intelligence Agency's complex, which is being extremely strict about disclosure of any data) no one should know anything about us." The political situation and revolutions also frequently caused sudden changes in circumstances, laws, regulations, and procedures, which does not help establish a solid documentation system.

As far as communication is concerned, the language barrier is a problem, as both sides communicate mainly in English, which is not the native language of either nationality. The accents and the different usage of terminologies play a role in miscommunication. The nonverbal

145 Corruption Perceptions Index- Egypt's 2020 Rank:117/180 and its 2020 Source: 33/100 Source https://www.transparency.org/en/countries/egypt Access May 21st, 2021

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communication problems related to the lack of intercultural competence also affect the work environment, causing losses in the workplace that are worse than the obstacles of the system.

Second, communication is not necessarily more accessible in high-context cultures, as the

cases of Egypt and Japan show. Both tend to interpret language and try to find the meaning behind

spoken words, which can lead to more misunderstandings. Moreover, most of the Egyptian

participants' comments about the Japanese were similar to the LCC's opinions about them.

Therefore, it is important to pay attention to nonverbal communication between high-context

cultures. Furthermore, there is a need to verbalize the silent language behind the spoken words to

make them understandable to others. Nevertheless, the education systems in Egypt and Japan are

entirely different, and even if both countries are classified as high-context cultures, several

elements affect the characteristics of each society.

The Japanese education system is relatively uniform throughout Japan ¹⁴⁶, which helps to

ensure that Japanese people have the same common sense. As a Japanese high official mentioned:

"I think the Japanese education style affects the Japanese people's minds as we all share the same common childhood experience. We know what kind of education other Japanese had and what kind of the culture in schools. We always had this kind of common sense. You first get

educated, then you go out into the society. People who come out to the society are the same people

who share the same standards."

In international schools, where students learn more about different cultures and values, it

can be somewhat different.

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In Egypt, on the other hand, there are different education systems such as Egyptian (government) schools, British, American, French, German ¹⁴⁷, Islamic, and, more recently, Japanese schools. That helps to ensure that Egyptians have a diversity of cultures and common sense. Not having the same common sense has its advantages and disadvantages, but it explains the gap you may notice when communicating with different people in Egypt. That is why it is not right to assume that high-context culture people may have more accessible communication, ignoring the fact that even inside the same nation, miscommunication may happen as the backgrounds and common sense may not be the same.

Third, record-keeping and documentation are essential for international business and projects to solve communication-related challenges. Guiding people, reducing misunderstandings, and stepping on cultural taboos result in lost business, opportunities, and relationships.

Fourth, in a developing country like Egypt, the top-down approach is more effective. Therefore, the Egyptian government must act collectively and involve all parties in a joint project to obtain more accurate indicators of the situation in Egypt. The project should consist of Egyptian and Japanese governments and business councils as a public-private partnership (PPP) project that incorporates the experiences and insights of all parties.

All this affects private sector activities, performance, and foreign investment. Accordingly, collective action supported by the government (top-down approach) is likely to be challenging. Therefore, maximizing and emphasizing the role of the national private sector in the middle will move things forward faster. Either in international cooperation on JICA projects or in documenting Egyptian business culture. Small Kaizen steps (bottom-up approach) initiated by PPP consultants

¹⁴⁷ "Schools in Egypt | Allianz Care."

in Egypt and their partners in the Egyptian government, the decision-makers, will leverage the government's top-down management system. In addition, the PPP's connection with the Japanese side can be used to obtain the know-how to document the corporate culture as a reference. We are starting to create an official document of Egyptian business culture as a step towards gaining intercultural competence, not only with Japanese but also with foreign partners.

Businesspeople working with other cultures should know the culture and framework of their counterparts. This knowledge will enable them to have better mutual understanding, respect, and communication. Observing and documenting how business culture spreads will facilitate the work process and promote international cooperation. Such serious efforts will have a positive impact on a project's output, sustainability, and even local societies. It will also raise awareness, facilitate better business communication and international cooperation, and achieve significant results.

The systems-related challenges take more time to reform, but they may be relatively easier to solve than the communication-related challenges. Reforming laws and regulations is a top-down process, while individuals' attitudes can be changed in a smaller bottom-up approach. Once this is done, the problem is solved.

In comparison, communication-related challenges are more difficult to track and control. Personal skills and personal characteristics will interfere. Finally, you will not feel disrespected or condescended if the rules or procedures take a lot of time. Hence, the least you can do is to write down and document the etiquette, taboos, and peculiarities of Egyptian business culture to serve as a cultural map for foreign business partners to navigate the Egyptian market. To minimize the

problems of miscommunication and misinterpretation that affect the business process and international cooperation.

6.1.2 Limitations and ethical concerns of the study

Egypt is still a developing country, and the poor documentation system and frequent sudden changes in various areas make it difficult to keep a solid record. In addition, the work and management style is mainly a top-down management system. The centralization of decision-making and workflow affects the schedule and procedures and increases the pressure on leadership. At the same time, there is the problem that there is no overall approach that pulls together all state development efforts.

Therefore, when leadership changes, especially in the last few years after revolutions, the government changes completely several times in a short period of time. In most cases, the new leadership starts from scratch. It was a challenge to collect data and interview participants. This was due to the sensitivity of their positions as high officials or the topics, and the lack of documented material or access to it, if it exists at all. This could be the reason why there is no official unified guideline of Egyptian business culture.

In addition, from 2020 to 2022, it was not easy to conduct field research in Egypt due to COVID-19 and travel restrictions. That often affected the schedule, mainly because face-to-face meetings with high-level participants were essential to build trust and get them to talk openly about the details.

All of this affects international and technical cooperation projects with counterparts in general and with the Japanese in particular, who are procedures-oriented and used to following a

clear plan and are not very flexible when faced with sudden changes. These are the biggest challenges for the government sector.

6.1.3 Suggestions and future research

This study is baseline research on business culture, and it focuses on the experiences and challenges of Egyptian workers in the workplace in Egypt. Therefore, it focused on understanding others and finding common patterns in communication rather than self-criticism.

An important goal was to involve all parties to build trust and create a network for further research collaboration. However, when the Japanese participants were asked the same questions as the Egyptians (such as communication-related challenges and advantages and disadvantages of collaborating with Egyptians or Japanese), the focus was more on mentioning the challenges they face with systems, trade laws, and regulations than on communication itself.

Future research can focus on the intersection of perceptions and cultural conflicts between Egyptians and Japanese, including communication challenges from a Japanese perspective in projects.

Alternatively, research should focus on sectors or projects in education, healthcare, industry, and technical cooperation.

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Appendixes (Transcripts, agreements, etc.)

Interview's transcript

Interview 1:

S: the questions will be as I sent in the email. self-introduction: name, age, position, and how long you have been working with Japanese in business

F: I started as assistant of the secretary-general of XXXX. in Feb 2008 I started my current position. Since then, I have been in charge and have attended many presents of the council, starting with the founder Dr. Abdelmoniem study, then ambassador Mervat Eltalawy 2012-2014, and now Eng. Ibrahim El Araby since 2014 till now, the activities of the council are generally to help and support in everything that relates to strengthening the Egyptian Japanese business. in the mutual business area, we organized 45 mutual events, mutual conferences in the area of mutual collaboration. for example, in the last year before corona 2019, we achieved 4 main events between the two countries. March 2019, the 11th mutual conference of the council was held during March in 3 days in Cairo. a huge delegation of 50 Japanese businessmen attended, JETRO's president at the time, the delegation participated in all the meetings and sightseen all the 3days, the Japanese delegation and a delegation from the Egyptian side were honored to meet his excellency president El Sisi and prime minister Mustafa Mabdouly, we also had field visits to Japanese factories in Egypt, the new administrative capital, we checked the constructions there, and we visited the electric power plant that was established with the German side SIMINS to generate the new capital. after 3 months in June 2019, we visited Osaka to hold a round table for Japanese businessmen attended by 33 Japanese companies. the meeting was chaired by President El Sisi during his visit to the G 20 summit. around the end of July and beginning of August 2019, the TICAD 7 was held in Yokohama and president El Sisi also attended with 50 Egyptian businessmen chaired by our council president, we also had a Japan- Egypt investment and business forum during TICAD, we participated in all the sessions and the events in TICAD. TICAD came out with 110 agreements between the Japanese side and African countries, it was a huge success, it was a presidential visit and businessmen delegation that lasted for 5 days. after that, after returning from Yokohama, in Sep 2019 Arab Japanese forum was held jointly with JETRO and the Arab Japanese economic forum and it was very successful, the union was established in 2009 and its first session was held in 2009 in Tokyo. 2010 it was held in Tunisia. 2013 in Yokohama. the last two sessions were held in Cairo Egypt, our council is the only Arab organization that is always mentioned in all the statements of the Arab Japanese economic forum because we participate in all organizations. all that was in September. in November 2019 in Tokyo, a very important conference was held about industrial collaboration between Japan and African countries. it was a joint conference between JETRO, and our council. that was an example of what we had achieved in only one the year 2019. 3 visits to Japan, two main visits, and two conferences in Egypt. unfortunately, in 2020 and due to

Corona, the conference that was planned to be in Egypt, flights were affected, and many restrictions were applied. although during 2020 we managed to have more than online forums jointly with JETRO and with Japanese and Egyptian companies in different sectors such as health, agriculture, machines, and they succeeded to sign joint contracts. 2020, Japanese investments were increased in Egypt. Sumitomo opened their new factory in Egypt. Toyota Tsusho signed joint contracts with the Egyptian side to build cars moved by natural gas. establishing port said roro terminal in collaboration with Japanese French alliance. also, Takeda for medical supplies plans to establish their factory. in addition to Nippon paints who for the first time come to Egypt and took over Betic's factory on the 6th of October city and changed the company's name officially to be Nippon Egypt and they are preparing now to start production for importing as well not the only domestic market.

S: excellent

F: 2020, the trade exchange rate between Egypt and Japan increased by 22% and that is a surprise. the bigger surprise is that Egyptian exports to Japan increased in 2020 by more than 2019 117%.

S: really!

F: it is true. Egyptians' imports from Japan increased 5%.

S: that is very good. is there any official statement of those numbers?

F: yes, there is I will send it to you.

S: it is good news as 2020 was tough everywhere.

F: actually, most of our exports are petroleum, although the non-petrol exports increased as well. close to 1 billion 300 million \$ trade exchange in 2020. during 2019 it was 1 billion 100 something million \$. I will send you the accurate figures.

S: that will be helpful

F: it is just one page I can share later.

S: ok sure.

F: that was a simple introduction. the council's activities continue although all the conditions, regarding the mutual work between Japan and Arab countries under the name of economic Arab forum. also, with Japan and African countries under the TICAD conference. since the first time of TICAD, our council is participating. the last time in Yokohama in July 2019 we participated as one of the most active councils in Africa and that can be confirmed through JETRO as they are the organizers of the event.

S: I was actually supposed to attend TICAD, but for some fieldwork-related reasons I had to go back to Egypt, but my colleagues did attend.

F: it will be an honor to meet you at the next one.

S: hopefully yes it will be more open.

F: 2017, in Kenya Nairobi, the council was there in organizing and preparation work, those are our activities it is simple, but we are always working on developing them, it is appreciated from all related parties either Japanese, Egyptian, Arab, or African

S: I tried to check the website and found some ministries are represented in the council...

F: actually, the website is under construction now.

S: aha, that makes sense as some parts were just pictures. i was able to identify some authorities from the pic, but others I didn't know its abbreviations, but most probably it is affiliated to ministries. is the council considered as a private sector or under the government?

F: the system and followed regulation in the Egyptian government to establish business councils, define that it is a partnership between the government and private sector to start management following private-sector style to produce fast and quick in taking decisions, not following bureaucracy to support joint collaboration between Egypt and other countries. the council established according to a decree from the ministry of trade and industry, the council has the right to connect to all Egyptian government authorities, all ministries, and organizations, although i always say our success partners are economic ministries group (international cooperation, finance, planning, trade and industry, investment, petrol, agriculture) all the related ministries to economic. even what is related to education, since 2008 it was the year of science and technology collaboration with Japan. 2008 EJBC held a very important event, the friendship between Egyptian and Japanese children in collaboration with the ministry of education and many Egyptian schools were invited to send delegations from kids to meet Japanese kids and they had mutual activities for one day in Al Azhar Park, the activities either its economic, friendship activities between the two countries, it is followed, and we care about the social side and the cultural collaboration between Egypt and Japan.

S: is there an official document about when the EJBC was established?

F: I will send you a simple presentation about the EJBC later on.

S: thank you so much. according to all that you mentioned that the council's role is equal to what JETRO does, but from the Egyptian side right?

F: it is the biggest Egyptian authority that JETRO depends on.

S: have you ever got the chance to check JETRO's file about how to communicate with Japanese in business? it was published in 1999

F: Unfortunately, no

S: this one I will send to your email. it is available on their website and open to the public, but for some reason not so many know about it even Japanese staff from JETRO, which was funny. I actually knew about it from Hungary's ambassador in one of the seminars in my school. it summarizes how the Japanese deal in business, what are the challenges and what its background,

order to have better communication. during my interviews I was asking do we, as Egyptian side represented in international cooperation, investment, or commercial representation, do we have a similar file that documents our business culture? is there any protocols

F: it is a guideline for Japanese market if it is issued from the Egyptian side

S: actually, that file isn't for Egypt it is for all countries. one of the examples is that Japanese are not direct in their business discussions, they take longer time, they avoid confrontation

F: that is true

S: the files explain the reasons behind this. the file is really interesting

F: thank you so much for sending it.

S: so, what I was actually looking for, is the Egyptian side has in any form private or governmental or jointly have what documents the Egyptian business culture? is the EJBC has a printout that introduces this?

F: manual how to deal with Japan no.

S: not how to deal with Japan. how to deal with Egyptian business culture. when i searched i found non-Egyptian sources writing about it. it is explained from another party's point of view. nothing is done by Egyptian side to explain it, when you face such a situation or problem how to deal

F: I did meet anything like that, but you will be pioneering such an area. what i saw was very specified things such as how to invest in Egypt (ministry of investment) from an investment and business point of view only. but as what you explained from dealing and communication with Egyptian mentality i didnt see anything

S: I have found some documents but as you kindly mentioned, in the commercial representation in the embassy. they usually make a kind of file for their successors on how to deal in the host country he works in. I am trying to collect those data, which might be useful later on as a guideline.

F: that will be excellent. I guess the first to welcome it will be the Japanese. I hope you can collaborate with JETRO on this.

S: JETRO is very cooperative, the problem is, it is hard to collect the data from the Egyptian side and not all the data available.

F: don't think about this point at all. I want to assure you that with today's meeting it won't be the last time, and if you ever needed any help or anything I can do consider it in your hand.

S: thank you so much, sir. the problem is that info. are not documented for some reason

F: I am sure you connected many many Egyptian government authorities

S: yes

F: each authority focuses more on their mission, everyone has his job description and following that, that is why no one considered a guideline like the one you mentioned will be useful and it related to many ministries, authorities, business councils in private, that is why I don't think you will find such a file. i do wish you will take the initiative and I will be with you on it

S: thank you so much sir. in that case about GAFI's decree, is it available online for the public to download?

F: yes of course, GAFI net uploads it, but I can send it to you. did you connect them before?

S: XX san actually said he has a contact person there, but he recommended me talk to you first then we see how the snowball will proceed

F: I will tell you something, if you request a meeting with them as a PhD researcher, it will take some time to finalize the official papers and procedures. you can send me what you need I will send it to you.

S: in that case, if there is any document like how to invest in Egypt, anything related to how to deal with Japanese

F: it is also available in Japanese language.

S: which one? Egyptian document in Japanese?

F: yes yes. Arabic, Japanese and English

S: if any document is related to this area i will appreciate it

F: I am writing down and taking notes not to forget and at the end of the meeting we can revise it.

S: sure, thank you. are there any other authorities that officially work with the Japanese side and they might have similar publications?

F: about Japanese market?

S: about Japan or generally.

F: about Japan, ministry of international cooperation, E-JUST

S: do they have publications?

F: for EJUST I didn't check with dr. El Gohary, their publications never stop but in the field of technology and science

S: I knew they started international relations/ business and humanities-related, but recently

F: I will confirm it for you.

S: regarding this point, i will send you a reminder

F: I took notes now 1- presentation about our council, 2- 2019-2020 Egypt- Japan trade exchange, 3- investments in Egypt guideline

S: ok, thank you. if we move to another point, from your experience in working with Japanese, what are the pros and challenges you face?

F: I started business with Japanese like 20 years ago. not only since 2013 with the council, I already was in charge of developing department in Suzuki the Japanese company, for your information it was established and it factory in Egypt by mr. Osamu Suzuki himself. I was honored to meet him in Hamamatsu, I worked with him and many other Japanese. today we talk about the advantages and challenges. I learned from Japanese many things. business wise, many training courses, and workshops about kaizen, the Japanese mentality in managing the business, just in time and how much it is important to manage the business, this is management wise, technology wise, they are very careful about all details, which is very important. it is not just as some summarize it an upsidedown pyramid, no. the Japanese management is a bit complicated to be summarized in just 2 words. it is a series of team member actions. everyone knows his role and ready to help. that is what I lived, that the Japanese doesn't do only his work, as long there is a mission in the team, it is teamwork. maybe as we say they do help the loser till they get on their feet, I have seen it. not for the sake of the loser himself, but more for achieving the mission. whatever is the cost to achieve it. the quality doesn't only mean the product's quality, when they sell pilot the pen, they don't think they sell a pen. it is Japan's name. that is the secret. the Japanese product is Japan name. I worked with China, visited it 12 times and signed 5 big contracts in my private business as the CEO of one company, a member in the board of directors in 4 companies, stayed a long time as the manager of business development, the manager of follow up unite in industries union, Automotives manufacturers union, and worked with different authorities in private and governmental sectors. that made me work with different cultures. Asian, Arabian and others. for me the Japanese worker's character, was very interesting to focus on. although it is complicated.

S: we can mention that in the challenges part. Japanese complication

F: I am being honest with you, and I wish Japanese won't be upset

S: not at all. some studies mention that already.

F: I wish you can phrase those things in a good way.

S: I don't try using harsh expressions. it can be seen as biased. that is why I use challenges for example.

F: I am not biased at all, or I can actually be biased and taking the Japanese side from my work experience with them for a long time and some sensitive projects with the Japanese peace protection units that were in southern Iraq. that is why I assume I can say I understand them a bit, not completely.

S: before we move to the challenges part, you kindly mentioned that you have work experience with Arabian, Asian and European cultures, what are the advantages of the Japanese business culture to you?

F: commitment.

S: you mean commitment in their contracts, time, or what?

F: everything. the Japanese character is very committed. the Japanese product as I said they don't consider a normal product; it is a product that carries Japan's name. in my private business with Japanese, when I sign a contract, I am sure that the product I checked, and its quality will be the same that I will get later on. I don't want to name other countries that also an Asian culture, when I investigate a product and sign its contract, I expect what I receive can be not the same.

S: do you mean here honesty?

F: commitment is a very important theory in human relationships. I worked with old Japanese like mr. Osamu Suzuki, I understood the meaning of "word of honor". the word of honor in Japan in the old days you could make agreements and ships on phone, and I have seen it, without contracts or anything.

S: it is quite different now. if it is not documented nothing can be proven.

F: the Japanese word of honor is with the old Japanese with mr. Osamu Suzuki long time ago 2004 - 2005. I have been to Tokyo many times and it was quite different. young people there if I ask about something, although they understand but they were very scared to talk with us.

S: they do understand but feel shy. although their writing is good.

F: I actually understand their pronunciation. that was an obstacle back in the days, but not now. compared to many other countries I worked with (American, Asian, Arab, European), the Japanese commitment makes me reassured when I work with Japanese, to have a business partner you can be reassured around. I studied that international contract are written with bad intentions, to implement work with good intentions, that is true, just as precautions for future. I didn't face that with Japanese at all. the last 20 years and especially the last 10 years, the Japanese business with international legal offices in Egypt, they care about each word written. with Japanese, I was saying my request, while I know there is no argument about it. the big advantage to me is "commitment". when you mentioned "honesty" I confirmed "commitment". commitment includes honesty. it includes that they dont deal with an annoying party, what is the meaning of "annoying party" inlaws? is the weak party, who is enforced to implement things. yes all international contracts are annoying, especially if the company I deal with is the owner of the trademark of Toyota or Suzuki, they put all their conditions CI (corporate identity) to be applied. it is applicable in business, but the Japanese commitment theory, makes them see their partner as one of them. this is very important. that the partner or agent is not a third party, but a team member. it is very important and makes business and management smooth.

S: excuse me. I need to clarify something regarding this point, when you said that Japanese side deals equally with their partners, did you mean the Egyptian side is equally strong or suppliers' side or what is the situation?

F: honestly, I was a representative of a strong Egyptian side. I am talking about Suzuki

S: you said the representative of the Egyptian side, you were representative of EJBC or as Egyptian suppliers?

F: as a representative of XXX or in my private business I never felt any discrimination from their side. I was equally treated, and my opinion was taken in consideration, although all of us are controlled in a general outline that the trademark company set as conditions, they have their own policy for Middle East, Africa, for example, we were studying, providing products, as China started in 2005 - 2006 their strong start in collecting cars like copy and paste from Japanese products. I was discussing with them to provide the parts from China, it was a tough discussion with Japanese, the discussion was led by something very easy, they think about the product either if it will be in Egypt, Indonesia, or Japan, is the part from China will be the same as the one from Japan or not, because eventually it is a Japanese product.

S: I understand that they care about their product, and it carries Japan's name. what I dont understand well is, as you mentioned that the Japanese companies have the higher hand and you must follow their policies, which is normal. It was not normal that some studies mentioned that the negative side of that, they might not consider the counterparts' political, economic, traditions conditions. so when you mentioned you were treated equally, were you representing the Egyptian gov. side or private sector to Japanese side?

S: private company dealing with the trademark with the Japanese side, accordingly we follow the corporate policy and identity, which is followed by the trademark inside Japan. although the point you mentioned exists. the Japanese side sometimes deals with some superiority. but do you know what is the reason? the Japanese should be aware of all details. many Egyptians don't get it and get shocked in reality that Japanese are arrogant. Japanese live in details. they like to know their counterparts' A to Z. this is true, even the personal aspects they like to understand, he wants to know who's fadl? his nature, culture, and abilities. I didnt find this when I was working with a company that established 1980 in Egypt, the first private automobile factory in Egypt, we already passed those phases, the mutual understanding is passed. Suzuki was established in 1980 in Egypt, the Japanese mentality if you understand it when doing business, it will be very easy to work with, they need detailed explanation, how I will market it, my market campaign, the category or the targeted customers, the market details, where this and that... those reports were sent regularly as a mechanism between the two companies, when I talk with them I dont have clashes in those points, although each new company to deal with Japanese they will hit this wall and that is the importance of the guideline you will be working on.

S: hopefully. as for the point of "Japanese complications" in what kind of situations you faced it or how do you want to elaborate it?

F: regardless the names I can see the Japanese way of asking about details as "complication", but another partner can have a different opinion, the one who is working with Japanese in the beginning they actually see it as a complication, we consider it as "meticulously" because we know have mutual understanding. regular reports and other discussions are somehow systematic now and the rest is developing the business, bigger market share or new products, the Japanese side generally, takes a long time to study, which causes a huge loss of opportunities. that happened in the new capital project, the Japanese side was very late to enter the new administrative capital. they took a long time studying about the power plant station, and it was taken by SIMENS. although it is considered one of the biggest power plant stations in the world and it was a very important project for Japanese to be part of it. the iconic tower was taken by China. two very important projects were lost, one to Europe and the other is taken by Asia yes but Japan's competitor, China. China checks what the market needs and adapts its policy accordingly, that is why they exported Ramadan's lanterns to Egypt. Japan is different. Japanese introduce their products with Japanese conditions, the Japanese way and to remain in its Japanese nature even outside Japan, which leads to being late, delay in investment opportunities, partnership, existence in the market, and leading the market. accordingly, other countries take their market share, which Japanese are more deserving to have. Japan was the first to start with us in the subway project, and today many are competing in this. what I say that delaying in taking decisions and studies, takes more time than needed, I still suffer from this point till now, and I do advise them that they consider the future aspects more than needed. that leads to fear from starting projects. Japan when there is any disturbance in political or social aspects, they freeze all activities. I have seen this in JUBA's visit. I dont remember the exact date, but it was a while ago with Mr. Amr Musa. we landed on daytime as the airport in JUBA had no electricity, we couldn't have landed at night. we stayed one night at Khartoum with the Secretary-General of the Arab League mr. Amr Musa in the morning. at that time, I was accompanying a representative of Japanese embassy in Khartoum. when we arrived, we found Chinese opened a consulate and office in juba and Japanese are still thinking. that was a discussion I had with the Japanese embassy representative. that is one example. Japanese and their delay in making decisions and being affecting by anything that might be simple, they take step back or freeze and that is not in their favor in the long term and losing projects they are more deserving to have. in 2016, we had the Egyptian Japanese joint conference in Tokyo, in 6th of March 2016, president abdel fattah El Sisi was there and give the main word in the imperial palace in Tokyo. at that time, president El Sisi had visited the Japanese schools and agreed on introducing the "Tokkatsu" system into Egypt. the delay in implementation was doubled from procedures from the Egyptian side and the Japanese side fear. the Japanese put a condition to implement everything to start sometimes. everything that he mentioned in his manual must be completed 100% before starting, which is considered as another obstacle.

S: for this point, how do you prefer to phrase it? insisting on their work style or you have another way to phrase it?

F: as you mentioned is a good way to describe it. being slow to make decisions and action, extra sensitivity toward any political or social event in the middle east and Africa, insisting on their conditions and preconditions to be 100% in the Japanese style before starting delays the business.

S: aside from the mentioned above points, do you face any other challenges despite the long experience working with Japanese?

F: practically speaking, being slow in taking decisions, and the hesitation whenever any changes happen especially in middle east is tiring me personally. the many details they ask and the preconditions they set to have in their Egyptian partner, before even starting real negotiations all that cause delay. for me sometimes I notice that some Japanese technology, they care not to release, unless at a specific time. although sooner or later other countries priced them. that happened with China. they have specific technology, which they try to preserve and not to release it in a product shape in Egypt, I find China priced them in that.

S: do you see this as they go slow because they want to confirm the quality? or just they want to release it first and hide the information?

F: 1-they extra-care to satisfy the need of the Japanese market first. 2- they worry that the Egyptian market is not ready for their products. 3- they put high cost. this is a big obstacle, and that is why i said other countries priced them. they take the technology and provide it with less prices that suit the market. I don't want to repeat many times, but another Asian big country they search what is needed in the market and they provide it. Japan is not a price-oriented market, but a quality market then prices market. sometimes here it is a price-oriented market. for example, there was a closed meeting during the round table in June 2019 in Osaka and president El Sisi referred to it. when we have bidding, we set the conditions, those conditions meet the price. dont come and tell me, but I am Japanese. I already have the conditions, which have been fulfilled with same quality and meeting all the conditions we decided. either it was fulfilled by Asian origin, African origin or European origin. dont come and say give me more privileges because i am Japanese that is why my price must be higher than all the other nationalities. this is big obstacle.

S: they asked for special price?

F: no, it is different. Japanese high prices are indeed a big obstacle. the biddings now have unified conditions that is how it was explained to them from President El Sisi, that the bidding technical and quality specifications are standardized. accordingly, the competitiveness on price must be understood by Japanese. the products prices either it is American, European, or Asian, it must be compatible. but insisting on high prices from the Japanese side won't help.

S: I have witnessed something like this when I worked for Kajima.

F: btw, mr. Sadawa Umeda was the chairman of the Japanese side of our council since it was established.

S: I was a fresh grade back then and the manager said we cannot reduce the price less than this. due to that we didn't get the bidding, but another Japanese company did. But another Japanese company did. I was still fresh grade but wondered which is better to reduce the price or lose the whole bidding, there was no flexibility and as you said insisting on their conditions.

F: Kajima was one of the leading Japanese companies in Egypt and has history here they build Eslam bridge on Suez canal. mr. sadawa umeda the previous manager in Kajima was the chairman of our council since it was established.

S: I didnt meet him. I was there from 2010 till 2012 and the manager was XX san. sorry we already passed one hour if you prefer to.

F: today is off, but I am here for the Interview to be free. I hope I can help to you

S: please dont say that you are sharing very important and valuable information. if we will talk more specifically about communication, so far, we covered points related to management and system. I can summarize from what you kindly mentioned some characteristics that affect communication. if we will focus more on the communication aspects, what are the pros and cons when working with Japanese?

F: before I was struggling to communicate with them due to the weak level of English. the last 10 years, I wasn't suffering with them

F: before I was struggling to communicate with them due to the weak level of English. the last 10 years, I wasn't suffering from them which is very convenient. also, the time difference affects the direct communication sometimes. other times the delayed response from the Japanese side effects communication. sometimes I send a request or an email, it takes time as they study it, which delays the response to the email somehow. the Egyptians dont know of all the Japanese occasions and calendars to have friendly communication with the Japanese side with a congratulations message. like the upcoming 23 of Feb. we are celebrating the emperor's birthday, those things help the communication to be smooth and the Japanese side feels that you are communicating with them, the last sat. Fukushima earthquake, few of the Egyptians sent empathy messages to the affected Japanese, which also is affecting the communication, communication's obstacles, part of it from the Japanese side and the Egyptian side, if the Egyptian side is always communicating with Japanese on their occasions, national events their calendar isn't much familiar to us, to show empathy toward the natural crises or hurtful anniversaries such as 11 March 2011, till now every Egyptian should send a message, and it will make a difference.

S: I guess JEN youth do this. Do you know about them?

F: they are already in Egypt

S: yes, it is a volunteer group was created by the graduates of Japanese language departments in Egypt. they always send messages on the Japanese different occasions and send them to Japan embassy in Egypt.

F: I thank you for that it is very important. in communication, as I said, time difference is affecting it a bit. the late response from the Japanese side. before the misunderstanding was because of the absence of mutual language. both sides one is speaking Japanese and the other speaking Arabic and both are using a third language in communication. it was a big obstacle, but now it is not as many Japanese now speak English from what i see. it is even easier for them as Japanese they

prefer to communicate in English more than Japanese in business is what I mean, on the other hand, the Egyptian side, and the importance of having continuous communication on different occasions and showing empathy, this is what I see can be related to communication, generally, the japaense side before 2020 and the pandemic I was confident with a face-to-face meeting with the japaense side is very productive more than one year of emails, phone, and fax communications. that's because the Japanese side in the face-to-face communication they ask immediately everything about everything they want to know and the Egyptian side replies regarding the conditions, market, work environment and their plans and what they do. we meet and that is important, we always work on having B to B in each event and conference we manage. we prepare a separate hall attached to the main conference hall, to have B to B meetings. the most important thing about Bto-B meetings, it is pre-scheduled before the conference, not in the spot. we had on spot B 2 B meetings, but mostly the Japanese side prefers the pre-scheduled B 2 B. one example, in Nov 2019, I met 20 Japanese companies in different meetings during 3 days in raw in JETRO every day's morning, there was a schedule to meet with Japanese companies one by one, it is very important and productive direct communication with the Japanese side is very very productive more than the indirect, with other nationalities, the indirect communication is not a problem though, like it is with the Japanese. the face to face is more productive with Japanese. although in 2020, there are Egyptian companies that reached agreements and made contracts with Japanese through zoom and other solutions.

S: the situation doesn't seem avoidable or changeable any time soon that is why we must deal with it.

F: yes, that is why I am telling you that it is good that the Japanese side started to overlooks their conditions to reach agreements.

S: as you kindly mentioned earlier, they do take time to respond to a problem, situation. the first semester was along with the peak of the corona pandemic, all the first semester was dedicated to preparing the platform to take classes online and that the system will be safe for use.

F: if you compared to Eslsca business school and the time they took to admit the online system it was immediately taken. after that they were working on developing it. but as I told you the Japanese and the "prearrangements" must be 100% complete even before they take the decision.

S: yes agree.

F: will you please give me few moments.

S: yes sure.

F: this is also can be an Obstacle you can face with the Japanese i said few moments but i took a few minutes.

S: well, I am already taking more than my time so it is ok. but it can be back to the flexibility

F: it is more related to their commitment

S: it can be yes, but it is understandable

F: it is coming from their commitment and their expectation of the other person to act like them. like if I said half a minute, it means 30 sec. 40 sec means I am late. I faced something like that. once I lost a big business with Japanese because I told the Japanese businessman I will send you to the airport. I sent him someone to pick him up and to take him to the airport. later he told me "you told me you will come. if you didnt keep your promise to me, how come you will be committed to our business later on"

S: this is a bit complicated. maybe an emergency happened it can't be 100% controlled.

F: I told him it was a misunderstanding actually. when I said I will get you to the airport, I meant that I will arrange your lift. you understood it as I will be physically the one who picks you up. it was a miscommunication between us.

S: there is a point that i wanted to check with you, is the EJBC provides its services to the Japanese companies that want to come into Egypt or to the Egyptian companies that want to work with Japanese side?

F: there are two important authorities in Egypt. EJBC and JBA (Japan business association). JBA in Egypt, it includes the Japanese companies only that work already in Egypt. EJBC includes the Egyptian companies that work with Japan and Egyptian companies that will cooperate with Japan.

S: so, the JBA is established by the Japanese companies?

F: yes. but EJBC our council, includes Egyptian companies that work with Japan, Egyptian companies that want to work with Japan. we as council provide our services, we dont provide it just to the Egyptian companies that deal directly with Japan, but also, we provide it to all related companies like trade, importing or exporting. also, JBA is benefiting from our services. any problems face the Japanese companies located in Egypt we organize meetings for them with the related ministries or customs duty or any other authorities like work permissions, which affect their stay and papers here and it affects their business. that is why our services are not limited like JBA because they only support the Japanese companies in Egypt.

S: that means EJBC supports both sides the Egyptian and the Japanese, but it is mainly established to promote the Egyptian companies to have business with Japan?

F: that is right.

S: as it is the main target of the council, do you have seminars, meetings or workshops where you introduce the cultural differences, Egyptian work styles to the Japanese companies? you kindly mentioned you have been working with Japanese for over than 20 years through your private business and the council. when you have Egyptian companies that want to work with the Japanese side, what kind of services the EJBC provide to them?

F: many actually. as you pointed if they face communication difficulties, they ask us to intermediate as a third party to explain his point of view and be with them in the discussions. that

happens in all the visits in Japan, exhibitions, seminars, forums. or they ask us to search for a uniquely Japanese product during 2020 and we found it. they were searching for medical needles that are self-destructive, in order not to have any infections or to be reused., and we provided it with the Japanese side. the council's services as I said, it to remove the obstacles for the Japanese companies that work in Egypt with the Egyptian government side, and also any obstacle that faces any Egyptian company. my counterpart in Tokyo is the Japan chamber of commerce and industry (JCCI/日商) their facilities are big, when we face any problem or when we ask for any data or help, they help. we do that for any Egyptian company either it is registered in the council as a member or not.

S: what is the number of the member companies?

F: 67 companies.

S: different sectors or there is a specific industry to focus on?

F: all sectors even financial, banking, services, agriculture, manufacturing, and the Japanese university as well is a member

S: you mentioned that to have a guideline to deal with the Japanese side, did the council published any document or paper on how to deal with Japanese as an Egyptian side?

F: along with our history that was through direct communication through the events we held among governmental authorities, private Egyptian side and the japaense side, but not as a documented agreement

S: not an agreement or official document, even a presentation

F: no, we dont have a presentation on how to deal with Japanese, but it is through the emails between us and the Egyptian companies, and meetings.

S: so, it means it based on each case and what kind of situation they face you advise them on how to deal?

F: yes true

S: ok to summarize what you kindly mentioned as problems Egyptians face when dealing with Japanese in business it will be like the following: over caring about details, taking a long time to respond, hesitation and being easily affected by any changes in the middle east and Africa, insisting on the preconditions before starting business or their business style, also they dont reveal some technologies for different reasons, high cost, and the language barrier and communications related issues generally. if an Egyptian side deals for the first time with Japanese, how do you advise him to deal and overcome those issues? for example the long time taking before response, which can be seen as complicated or hardliner

F: advise to deal with and this is the Japanese mentality and explain it to him per in mind that the Japanese person takes time to study things, investigate, to respond and they must be patient to the

maximum with Japanese. But, if they want to make the process of making decisions faster, they must have continuous communication in explaining all conditions, lines, plans and to commit to every word from your side. as Japanese expect their counterpart to be fully committed as they are committed to them, that is my first piece of advice, secondly, the Japanese side prefers their partners to be successful, for example, the price positioning, when I am setting one in the market, i have the price ladder and products from US, EU, Asian, where is Japan's position among it? this is important, it shows the Japanese side that the counterpart understands about branding, and this is very important, how to build your product in Egypt, not just hit and run business, this doesn't exist among Japanese. hit and run business exists in many Asian cultures, but it doesn't succeed on the long term. although it actually gets a huge market share, which affects the Japanese products. the Japanese side is durable that is why they like commitment, awareness of all the details. for example, sara started a new SME and wants to work with Japanese, the first thing you will call us and ask to contact a Japanese company that has for example hand sanitizer, the first thing I tell you, show me your company's profile and then I start to tell you that you need to add a financial report, report of your activities during the last year or few years, market study, and such ... this kind of set of documents is required from the Japanese side, just to start talking. it all must be there and ready, that is my advice to all Egyptian companies, whoever wants to deal with Japanese market, must be ready to it. because the Japanese if you start talking and it was closed once, it will be very hard to reopen it. even with another company, as you know Japanese market is very connected. if I failed to communicate it will be very hard to rebuild the trust.

S: yes true.

F: this is my advice out of the experience I have. aside to that the specific products. if someone wants to export food to Japan, I will say no. not no as to break him, but no you have to study their standards and the Japanese measures to detect and analyze the remains of the fertilizers, pesticides

S: yes, sure this is a product the Japanese citizens will use directly

F: they must study first how to export to Japan. but it doesn't mean there is no Egyptian food products in Japan. the opposite, last year Egyptian strawberries in Japan were thousands of tons. Egyptian jam entered Japan. Egyptian juices, milk products, green Molokheya

S: we have Egyptian milk products here?

F: The Nile company is an Egyptian company, and they export to Japan. its owner is my friend engineer Emad. he has a company in Japan and he established the factory in 6th of October city like that one

S: it will be very good to see Egyptian products here in Japan.

F: there are. there are.

S: I did once saw Egyptian jam it was El Rashidi El Mizan brand.

F: Vitrac is there since 2004 in the Japanese market but had some shakes. Egyptian juices as well in Japan a long time ago. there is another example there is a Lebanese company is importing from Egypt the dried molokheya and they re-export it to Japan.

S: really?

F: this is true, they do care about the Egyptian Ornamentals and many of it in Japan, that is why when someone asks for my advice about a specific product to export to Japan, the Egyptian companies in general I tell them to prepare well according to the Japanese philosophy and standards before starting the discussion, because this is the manual they will be asking about, your company, your data, your vision, mission, market research, your plan to work with them, your long-term strategy, how to build the brand, branding policy... all of these standards will be in all products, but with specific products they must be extra careful, that what made a company as big as Japan food solutions, open a factory in Egypt to avoid all the problems that face the Egyptian products in Japan. Egyptian citrus fruits are allowed to be exported to Japan last Nov. 2020 after stopping for almost 25 years, because of one ship that was not qualified.

S: I have read the news yes, but didnt imagine it was stopped for 25 years.

F: it was almost for 25 years and thanks to the Egyptian embassy in Tokyo they stopped the restriction in Nov. 2020. the point from such info is the Japanese side's attention to the quality and their standards. especially toward the food-related products, is very restricted. either you meet it 100% or you wait till you are. because the damage will be bigger than any company can handle. to execute, a shipment will be higher than EU and Germany. I have exported to EU and i know this. so the advice is to be very careful when exporting food to Japan. importing is way easier. the Egyptian imports from Japan in 2020 reached to 948 million dollars.

S: this is your advice to the Egyptian side working with Japanese, if you will advise the Japanese side to work with the Egyptian market, what will you say? what are the pros and cons from your point of view?

F: I always advise the Japanese, and I wish this will reach them again through you, you didnt get the max benefits from Egypt yet. they established 12 factories for car braids Sumitomo in Morocco, and in Egypt it is only 7 factories. The apprehension toward Egypt is misplaced

s: why do you think so they are taking this attitude?

F: for many reasons, some are logistics reasons, some are economic reasons, competition. to benefit from the opportunities in Egypt's market from the Japanese side is still weak. the Japanese existence in Egypt is still weak, compared to other countries that don't have Egypt's possibilities and a market of 100 million consumers. I hope the Japanese representation in Egypt will be doubled shortly. my advice to them is to come and work here with your policies and standards. they have been given many chances to establish Japanese industrial zones, using Japanese system, and Egyptian sources and still they are late. all the challenges they face will be fixed if they come and establish their own industrial zone according to the system of free zones, they will have the right to export and re-export and to sell inside the market. in 2020 the gov allowed free zones to

sell in the local market to support the economy. the last report of the ministry of planning, that without the Gov. support the growth rate would have been 1.9 but in 2020 we reached 3.6. there are good efforts, exemptions also were approved from the banking sectors, different facilities have been provided to pay taxes. I advise Japan they should be here, their representation in Egypt is good enough to establish their own industrial area, they are not less than China, which established its industrial zone area a few years ago in Suez Canal area.

S: back to the part where you mentioned you have learned a lot from Japanese such as quality, kaizen, just in time, commitment, and on the side of challenges you mentioned hesitation and long time in taking decisions and other points. on the same track but on the Egyptian side, what kind of challenges might face the Japanese communicating with Egyptians? and what are the advantages when the Japanese deal with Egyptians?

F: many actually, they are also aware of it but still studying it, the Japanese person waits for the success story, what i say they should come and make their success story, the Japanese waits for the success of Nissan in Egypt and to produce big number of cars, then later the rest of the car companies start manufacturing here, what they can learn and benefit from Egypt? many things, if you compare the prices of energy in Egypt and the rest of the world, it is a big advantage here, the strategic location of Egypt among the world, the different agreements that give the Egyptian products Preferential benefits and customs exemption, either American agreements or the partnership with the EU, or Comessa, Aghadeer, Arab federal agreement, recently in last Jan, the free African trade agreement was activated. for example the 7 factories that sumitomo and wireharness in Egypt, all their production is exported to EU.

S: I didn't know this info. actually. this is business-wise if we talked about the personal communication what can they learn or face while having business in Egypt?

F: btw, when I mentioned the word of honor, i was talking about the old days with the old generation of both Japanese and Egyptian businessmen. But with the globalization, global market and the competitions among all countries, now they pay more attention to every single word and the contracts.

S: I understand this part. What I mean you have mentioned the advantages from a business point of view, from a communication / characteristic point of view what can you advise the Japanese in this regard?

F: after I state the business benefits I talk frankly that per in mind that the time punctuality is not like Japan. when Egyptians describe a situation, the used words are not so accurate. like when we say "inshaa allah", they got the wrong idea. it means the word won't be done, although it means with god's permission.

S: yes. so to phrase it the challenges they might face is time punctuality isn't accurate like Japanese, using vague words?

F: but take care when you say vague it is not like the Japanese when they don't want to close the talk directly. i mean the Egyptians elaborate more and mention more details which confuse the

Japanese side. so, when I advise the Japanese I tell them "do not expect you are dealing with a Japanese person". your main target is to be here in this market and your partner is this person who can navigate you to this market. if you study well about the background of your counterpart in Egypt, and they are committed to you then go ahead start your business and the communication will come accordingly and not to deal based on the stereotypes of deserts, camel, people here don't communicate well. all this ice will be milted based on each person's skills, abilities, and work experience, there is no general rule.

S: so, if we summarize the challenges that a Japanese can face in communication with Egyptians is the punctuality problem, explaining in many details or not focused in presenting their ideas and topics. what else can be a challenge to a Japanese person?

F: the different markets and different consumers. In many cases, Egypt is considered a price-oriented market, which is because of the weak income for ordinary people in Egypt compared to the rest of the world. it affects the market and consumers' demands. that is why I tell them to come and make their products here, there is no Japanese company that started production in Egypt and failed, for example, Unicharm produce baby pads or Otsuka one of the oldest companies in Egypt for medicines and medical supplies, the one who comes to Egypt is the winner, today when we talk about electric cars for example, the contracts that had been signed from the Chinese side with El Nasr for cars, which is considered the oldest or the first company to manufacture cars in the middle east (established in 1952), most of the contracts were signed with Chinese companies, the Japanese side was more deserved to have it, but as I said they wait for the success story.

S: thank you so much for your time. I will be working on the transcript to get the most benefit of all the valuable information you kindly mentioned. I will send you the JETRO file and I hope it can be of any help

F: I will send you 3 files as well the council's activities, investment guide, and the size of Egypt-Japan business numbers.

S: any file you see is related to the Egyptian - Japanese relations will be value-added to the research.

F: I wish you will be able to finalize your research and I will support you. I kept you awake for a late time it's 11:15 pm now there

S: I am sorry I took way longer than my time

F: not at all. where are you staying now in Japan?

S: in Kyoto at Doshisha univ.

F: if I knew that you are that close to Osaka, we were there last June

S: wish we could have met.

F: sure, we will meet sometimes

S: sure, thank you so much

Presentations

Presentation 1:









A Strategy For Performance Excellence

Presentation 2:

エジプトへようこそ Welcome to Egypt



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Materials

Material 1:



Material 2:





Initial technical report <u>for</u> The project of "Work Export" By waste reduction <u>at</u> <u>Europack Co.</u>

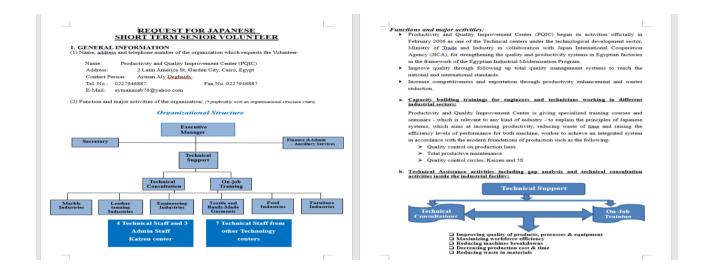
Provided by:

Productivity and Quality Improvement Center Ministry of Industry and Forign Trade, Egypt

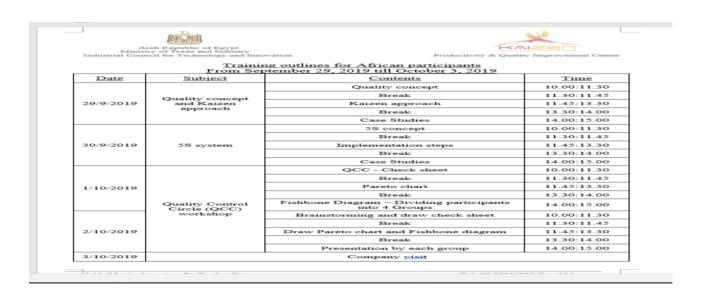
Material 3:

		The plan 1	or Japane	se senior vo	lunteer		
Item	Duration (19/1/2020 :25/6/2020)	Consultation (Companies)	Seminar	Training in the industrial zone	Prepare companies report	Training for Kaizen Staff	Preparing Materials
Days	105 days (21 weeks)	51 days	1 day	8 days	25 days	10 days	10 days
		Food Industry (3 companies 16 days)	Ministry of Trade and Industry (1 day)	10th of Ramadan (2 days)	Every Wednesday + others (At the office)	Every Thursday (At the office)	Every Thursday (At the office)
Place		Chemical Industry (2 companies 10 days)		6th of October (2 days)			
		Textile and RMG Industry (3 companies 15 days)		Obour (2 days)			
		Engineering Industry (2 companies 10 days)		El-Sadat (2 days)			

Material 4:



Material 5:



Material 6:



EJBC in brief:

In the Agreement on Economic Cooperation and Encouragement of Investments between Egypt and Japan in 1978, it was stipulated to establish a joint committee between businessmen from both sides, but this committee was not activated.

On April 12, 1999, an agreement to establish the Egypt-Japan Business Council was signed in the presence of the Japanese Prime Minister and Egyptian President in Tokyo, and therefore the Council celebrates its twentieth anniversary this year 2019.

The structure of the Council was approved for the partnership between the public and private sectors in both Egypt and Japan for joint work to support economic cooperation between the two countries, and a ministerial decision was issued by the Minister of Industry and Trade to form the Council on the Egyptian side, the presidency of the council since its inception (the late Dr. Abdel Monem Seoudi during the period from 1999 to the first half of 2012, Dr. Mervat Talawy during the period from the second half of 2012 to 2014, Mr. Eng. Ibrahim Mahmoud El-Araby during the period from the end of 2014 to date).

The council works according to an action plan that is periodically updated to match the variables on the regional and

The council works according to an action plan that is periodically updated to match the variables on the regional and international arenas in a way that serves the interests of its members in all commercial, industrial and service sectors, and in the first place support Egyptian-Japanese communication and rapprochement between the Egyptian and Japanese peoples, culturally, socially and economically.

On the path of rapprochement between businessmen from the two sides, the General Secretariat of the Council

On the path of rapprochement between businessmen from the two sides, the General Secretariat of the Council periodically organizes joint meetings for Japanese businessmen and their Egyptian counterparts in cooperation with the Japanese Chamber of Commerce and Industry hosting the General Secretariat of the Council of the Japanese side, and these meetings are organized either in Japan on the sidelines of conferences and seminars held in Japan or in Egypt by hosting delegations of Japanese businessmen in cooperation with the Japanese organizers. The council is also keen on continuous communication with the Japanese side to present the elements of investment, partnership and business in Egypt through joint conferences of the Business Council in Japan and investment forums that are held for this purpose in conjunction with the relevant Egyptian authorities and ministries.

بيانات التبادل التجارى بين مصر واليابان مقارنة عامي 2019 و2020م من واقع بيانات جهاز التمثيل التجارى المصرى عن مصدر: مكتب الإحصاءات اليابانيه

الميزان التجار	حجم التجارة	الواردات المصرية من اليابان	الصادرات المصرية لليابان	البند
Y11-	1.57	4.7	11.	Y-14
			33	صادرات يتزولية
			٧٤	صادرات غير بترولية
766_	1707	4 £ A	۳.٤	Y - Y -
			771	صادرات بترولية
			AT	صادرات غير بتزولية
7.13-	7.4 -	7.0	%11V	التغير